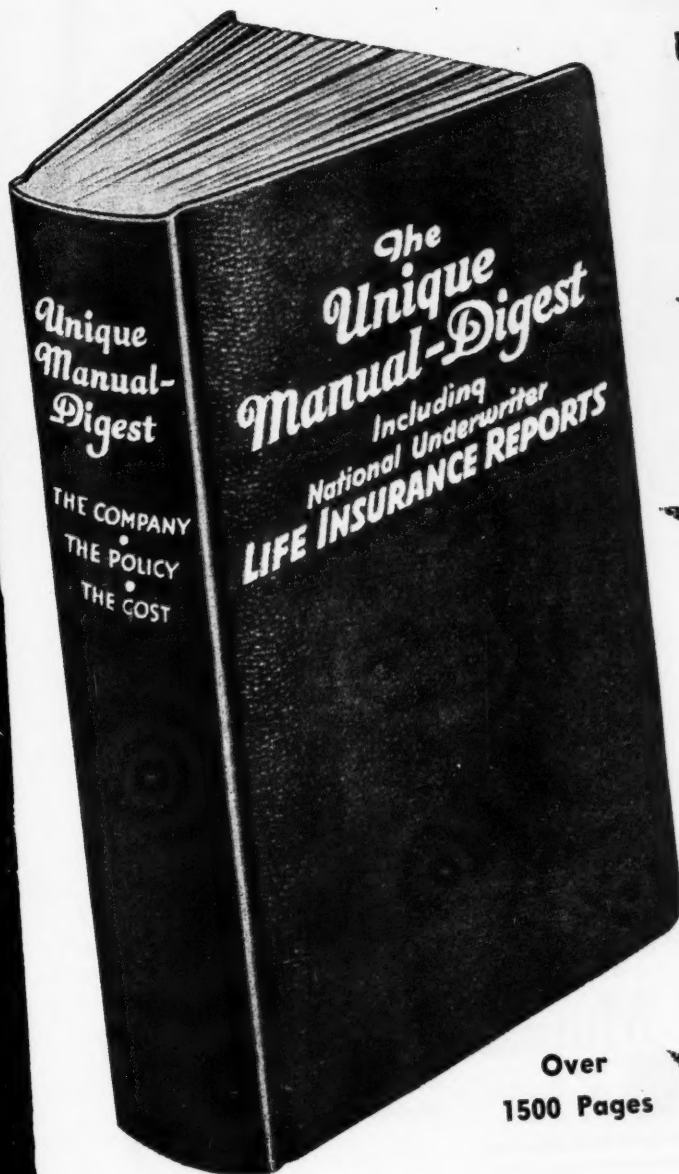


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**S**HE's sure glad to have you back, and out of uniform—mighty proud of your war record—and certain that you're going places in civilian life.

Makes a man feel good to have some one so nice so interested in him, doesn't it? Makes him wonder, too, about how to arrange things safely and securely for her future. And that brings up your National Service Life Insurance. Decided what to do about it? . . . Need some good, sound advice?

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## Denver Sets High Mark in Nat'l A. & H. Convention

**Registrations 500—  
Smith President—  
Gregory Starts Up**

### NEW OFFICERS ELECTED

President—R. B. Smith, Great Northern Life, Oklahoma City.  
First Vice-president—G. H. Knight, Federal Life & Casualty, Cleveland.  
Second Vice-president—E. F. Gregory, Business Men's Assurance, Denver.  
Executive board—William E. Reinsh, Massachusetts Bonding, Omaha; George B. Richards, Monarch Life, Hartford; August Kern, Jr., St. Louis; G. A. Crutchfield, Professional Insurance Corp., Jacksonville, Fla.; C. B. Stumpf, Illinois Mutual Casualty, Madison, Wis.

### By FRANK A. POST

DENVER—It was virtually a foregone conclusion that at the annual meeting here of the National Association of Accident & Health Underwriters R. B. Smith, first vice-president, would be advanced to the presidency succeeding R. J. Costigan, Business Men's Assurance, Kansas City, and G. H. Knight, second vice-president to the next higher post.

Interest centered, therefore, on the selection of a new second vice-president who will be in line for the presidency two years hence. E. F. Gregory, B. M. A., Denver, was named to that post in recognition of his faithful service for six years on the executive board and also for the work he has done as president of the Denver association in arranging for the convention here.

E. H. Mueller, who has done a notable job as acting executive secretary the past year at a great personal sacrifice submitted his resignation as of July 1 or as soon as his successor can be chosen. It is expected that a permanent executive secretary will be named very shortly and the headquarters office moved from Milwaukee to Chicago.

### Endorse Breidenbaugh

A resolution was adopted endorsing the selection of O. J. Breidenbaugh as permanent instructor of the Purdue A. & H. course.

The Denver convention was one of the best if not the best held by the National association and certainly the largest with a registration of more than 500 including ladies. It demonstrated the permanent basis on which the association has now been established.

The Denver people set a high mark for future convention hosts to shoot at in the perfection of convention arrangements, the program presented and in the entertainment of which the "Days of '49" was the highlight.

The morning the convention opened it was quite hot and rather on the steamy side and the Denver hosts, who had featured the "Cool Colorado" slogan very strongly, came in for some kidding by the earlier speakers but it cooled off that evening.

Carl Ernst, North American Life & Casualty, Milwaukee, secretary the past year was elected chairman of the leading producers round table succeeding C. B. Stumpf, Illinois Mutual Casualty,

(CONTINUED ON PAGE 23)

## Group Business on the Upsurge

**Many New Prospects;  
Annuities Popular;  
Contributions 50-50**

Recovering slowly from the body blow delivered by the closing of many war plants and the deterioration of employer-employee relations caused by strikes, group life and accident and health business appears to be once again on the upgrade. Many group men report that increases in group business are closely matching the general increases in ordinary this month and, while there is no one who thinks that companies will make up this year the losses of business they suffered through closing of war plants, there are a number of new enterprises springing up which are proving good prospects for group salesmen.

### Employer Fund Trend

Another strong factor which is boosting group sales and increasing the optimism of group supervisors is that with the successful demand of the United Mine Workers Union for a health and welfare fund, a number of employers are seeking to provide similar safeguards for their employees through group insurance. Many feel that federal and state coverages may presently be broadened and they wish to beat the government to the gun. There are few employers who would prefer to have their employees covered by government insurance rather than coverage provided by a private company.

There is a general feeling that if the strike situation calms down, group insurance will soar to heights very close to those reached during the war.

### Contribution Cycle

Group insurance contributions are apparently back to midpoint in a cycle. A few years before the war, most group business was on the contributory basis with the employee paying the usual 60 cents a month.

The war saw a complete reversal of this situation. In a substantial portion of all group cases written during the war, employer contributions were 100% or very close to that figure and employee contributions were negligible. Employers were hard pressed to keep their help and did everything possible to better the lot of their workers. Money was no object to the employer if he could keep his worker happy and keep him on the job. A substantial number of cases written on permanent firms during the war have carried over to the present time with 100% contribution by employers.

Since the end of the war, the contribution pendulum has swung to a midway point and a majority of group cases at the present time are being written on a basis of 50% contribution by employer and employee. National events have conspired to make the employee realize that such coverage is worth paying something for and employers, faced with the current uncertainties, are loath to commit themselves 100%.

### Boom in Small Cases

There appears to be a particular boom in group cases involving small numbers of employees, many of them in new enterprises. There is also a boom in writing trade associations, although a good many companies regard this as business which is not quite so desirable, because there is not the centralization of collection and administration which one finds in a corporation, and there is apt to be more anti-selection.

One bright spot in the loss of cases

(CONTINUED ON PAGE 22)

## Turn Down Plea to Aid Simplification of Policy Wording

At a special meeting of the N.A.I.C. life insurance committee at Portland, the commissioners were implored by industry representatives to recognize a proposal that it was claimed would greatly simplify the wording of policies that are fashioned to comply with the Guertin legislation. Commissioners were urged to approve this proposal, even though it was brought up at the last minute because it would enable the companies immediately to start getting their policy forms in shape for filing. The industry people had the day before held a luncheon gathering with the actuarial subcommittee of the life insurance committee to brief them on the proposal, but some of that group had reservations.

The life committee declined to take the immediate action and the matter was referred to the actuarial subcommittee for further study and report.

Bruce Shepherd, manager Life Insurance Association of America, presented the matter. He explained that the proposal had been advanced just a few days previously by Francis W. Cole, chairman of Travelers, and it had met with instantaneously favorable reaction from the industry, and that life insurance executives were very desirous of having the commissioners act favorably at Portland. The industry people were obviously much disappointed that this action was not taken.

### Substance of Resolution

The proposal was presented in the form of a resolution stating that the use of simple non-technical language in policy forms to describe the method of calculating non-forfeiture benefits is desirable. It was recommended that the method of determining non-forfeiture values described in the standard non-forfeiture laws be referred to as the "commissioners non-forfeiture value method," whether the adjusted premium as defined in such laws be used, or whether there be used in lieu thereof an amount or amounts (which may be described as non-forfeiture factors) which produce cash surrender values in excess of minimum values.

Mr. Shepherd claimed that the proposal is simply a means of designating a name for the method of determining non-forfeiture values under the Guertin laws.

A. N. Guertin, actuary American Life Convention, forcefully seconded Mr. Shepherd's plea, saying that the desire is to give a name to complicated language. If this proposal is approved, he said, it will greatly simplify the forms and produce a tremendous improvement. He pointed out that the companies only have 1½ years left in which to get in shape and he referred to the fact that Harrington of Massachusetts just recently had asked the companies to make their filings just as soon as possible so that there would not be a last minute deluge.

### Aim of the Companies

The proposal involved the defining of the method described in the statute used for determining minimum non-forfeiture values. With adoption of such a resolution, it was the aim that the companies could then use the title given to the method in their policy forms, thus eliminating the necessity of a complicated description of the method used to compute the non-forfeiture values.

The use of such a definition would be available to companies giving values in excess of the minimum values.

The N.A.I.C. life committee report referred to the fact that there are 15

(CONTINUED ON PAGE 24)

## Group Definition and Standard Provisions Adopted

**Set 45-Days as  
Conversion Period and  
for Free Cover**

The final decision at the N.A.I.C. meeting at Portland on the new group life insurance definition and standard provisions was to make only one substantive change from the draft as it was printed in the May 24 NATIONAL UNDERWRITER. The change consisted in providing 45 days after leaving employment within which the certificate holder may convert to a permanent, individual form of cover and he also has 45 days free insurance after leaving employment. Also set at 45 days is the period within which those that have been insured under the group plan five years may convert to a maximum of \$2,000 if the entire group contract is terminated by the employer.

Up to that point the draft had provided for 60 days to convert when certificate holder leaves employment; 31 days free insurance and 31 days to convert when an entire group contract is terminated.

Allyn of Connecticut, chairman of the life committee, presented the report at the final session of the association. The result, he said, represents a compromise and not all will be entirely satisfied. Some feel that the definition and standard provisions are too stringent and others think that more restrictions should be imposed. He expressed the belief, however, that the final recommendation is a reasonable compromise.

### Get Away From 1917 Limitation

There was general agreement that the new definition should not be limited to the 1917 definition, which recognizes only employee coverage. Practically every one of the 17 states that have comprehensive group statutes have definitions that recognize, in addition, group creditor and labor union coverage and these had to be recognized if the study was to be realistic. Also the definition contains a fourth classification permitting a group policy to be issued to the trustee of a fund established by two or more employers in the same industry or by two or more labor unions, provided the cost is borne entirely by the employer.

The committee, he said, recognizes that under special circumstances other types may be written on a sound and otherwise satisfactory basis.

The matter of limits in amount of insurance was a troublesome one. In no state is there any limit except for group creditor coverage where the ceiling is generally \$10,000. The new definition, he pointed out, places a \$5,000 limit on group creditor and \$20,000 limit on other group coverages. The committee, Mr. Allyn stated, believes that these limits are in the public interest.

### Minimum Lowered to 25

The minimum number of lives in the standard definition has been reduced from 50 to 25 which corresponds to the provision in seven of the 17 states.

The most troublesome point in connection with the standard provisions con-

(CONTINUED ON PAGE 10)

## Labor Insurance Leader Testifies

### Union Casualty Head Willing to Sacrifice Company for Health Bill

WASHINGTON—That the insurance industry should present testimony opposed to the administration's health insurance bill before the Senate committee on education and labor is believed by some industry observers here, as a result of the statement made Tuesday before the committee in support of the bill by Alfred Baker Lewis, president of Union Casualty of New York.

"Passage of this bill," Mr. Lewis told the committee, would "put my company out of business," since Union Casualty writes group accident and health insurance for wage earners and their dependents.

"Nonetheless, I am in favor of it," said Mr. Lewis, "because I am impressed by the great need for this form of social security and by the prospects of continued and embittered industrial strife if this bill is not passed." He said the bill would tend to prevent strikes, and cited the recent coal disputes as involving "health and accident" funds.

#### Aim of Labor Unions

Mr. Lewis told the committee that "the interest shown by the members of organized labor in the problem of group accident and health insurance has grown by leaps and bounds. Today there are few unions that do not hope or plan in the near future to try to gain such insurance for their members as part of their collective agreement."

Union Casualty has insured the 25,000 members of the American Federation of Hosiery Workers; Cafeteria Workers Local 302 in New York; and the textile workers of the N. Y. joint board, as well as other unions such as the hotel and restaurant employees in Philadelphia and the upholsterers' international union, he said.

Nearly always, Mr. Lewis pointed out, the union takes the initiative in seeking an insurance policy for its members, and then, as part of its collective bargaining agreement, to get the employer to pay the premium which usually amounts to 2% or 3% of the payroll.

"During the war, the problem of getting employers to agree to pay the premium for accident and health insurance for the union members was not too difficult. Many employers were in the excess profits tax bracket, so that the federal government in effect paid 85½ cents out of each dollar of premium that the employers agreed to pay on behalf of their employees.

#### Reduced Employment Turnover

"The wiser employers were willing to pay the remaining 14½ cents of the premium to get for their employees a greatly desired benefit which would cease to operate when the employee left his job, so that the benefit was of valuable aid in reducing employment turnover.

"Now, however," he continued, "the tax situation is very different. Employer resistance to such a demand by the union is very much greater, and the likelihood of continued industrial strife as a result is correspondingly greater also—unless this issue is settled by a law such as the national health bill."

"Leaving the question of accident and health insurance to collective bargaining is productive of industrial strife. Not even the closed shop with a dues check-off strengthens a union more than does a group accident and health insurance policy for its members. It is the invariable testimony of the unions with which we do business that as soon as they get such a policy the morale of their members is strengthened. They take

## Shelve Action on Appraisal Forms, Housing Investment

The insurance commissioners association at Portland voted to table the report of the real estate committee headed by Neel of Pennsylvania which recommended adoption uniformly of a suggested form summarizing appraisal information in each loan and real estate item file and which also made certain recommendations as to legislation authorizing insurers to make direct housing investments.

Mr. Neel declared that he was not recommending a uniform appraisal form, but merely a uniform form of abstract so that examiners at any company could get at a glance what they wanted. Harrington of Massachusetts made the motion to table, saying that the form should be studied further. N.A.I.C. on previous occasions had taken action in regard to appraisal forms and Mr. Harrington said the latest proposal should be studied to see how it squares with previous recommendations.

#### Cautions on Housing

Mr. Neel proposed recommending with reservations state laws to permit housing investments. He said that the primary purpose of insurers is to sell life insurance and, for the protection of policyholders, funds should not be put into speculative investments regardless of how laudable the civic purpose of such investments might be. Until this type of investment has demonstrated its soundness, he said the enabling act should expire in a stated number of years, perhaps eight, and a company should not be permitted to invest more than 5% of assets in this way.

far more pride and interest in their union meetings and give it greater loyalty than ever before.

#### Predicts Employer Resistance

"Consequently," Mr. Lewis declared, "anti-labor employers, as they fought strenuously against the closed shop and dues checkoff, are going to fight just as strenuously against accident and health insurance because they are opposed to greater power and influence for the union.

"If this adamant opposition meets the growing demand for such insurance among union members," he asserted, "there is certain to be far greater industrial strife over this issue in the future than in the past."

Private insurance companies can not afford to do the job of providing medical care, except in the case of insured who lay off work. No group policy developed from collective bargaining provides for medical care.

Lewis said the New York insurance department turned down a policy proposed by his company to provide medical care for workers' dependents. He expressed preference that funds to provide for national health insurance be raised by general taxation.

Under cross examination Lewis said he became vice-president early in 1943 of Trade Union Accident & Health, predecessor name of Union Casualty, in which Dr. Leo Perlman, formerly Czechoslovakian minister of health insurance, holds high executive office, and that these two and one other control 90% of its stock. Prior to that he had had no insurance experience but worked for the socialist party.

#### Shouldn't Make Direct Payments

Danger of malingering by workers tends to prevent private companies providing medical care insurance for them, Lewis said, but he insisted there would not be so much danger of malingering under federal health insurance because the government would pay the doctors, not the workers. He declared "you should not pay cash sickness benefits to workers."

## Prospecting Plans of 36 Successful Agents Told

Thirty-six different ways and means of finding prospects for life insurance, each told in an intimate easy-to-follow style are presented in the new book, "Doorways to Prospects," by M. S. Cagan, New York Life "Top-clubber" at Los Angeles, just published by THE NATIONAL UNDERWRITER Co.

In "Doorways to Prospects," Mr. Cagan has collected the actual prospecting methods used by a representative group of life underwriters of assorted types and personalities—not outstanding stars—but steady producers of the kind that make up the backbone of the business. Each tells just how he does it, in his own language. Thus in "Doorways to Prospects" is given the personal account of the principal methods used by 36 successful field men in getting names and developing them into prospects.

Whatever may be the individual method of selling, there will be found in "Doorways to Prospects" a number of workable plans that can be adopted to advantage. While no one should consider trying all of the plans, almost any salesman can increase his income by improving his prospecting methods or activities.

#### Gold Mine of Methods

Mr. Cagan holds no special brief for any particular plan—he is simply the recorder and narrator of a "gold mine" of tested prospecting procedures. With each, he gives a brief character sketch of the contributor to assist in the selection of plans for individual personalities. While the various methods differ widely in many respects and some may even appear trivial, many contain new wrinkles which may be the reason why they click. The value of each of the ideas presented has been proved over and over again in actual field use. They are simply the daily prospecting habits of steady producers.

Among the many intriguing chapter titles are such as, "The leap-frog method," "Newspaper Pete," "Nosey Parker in action," "Meet brother Joe," "Your name and mine," "The neighborhood prospector," "Client co-operation counts," "Prospecting by appointment," "The program-building approach," "The team of Mr. and Mrs. Morris," and many others.

#### Has Two Main Sections.

"Doorways to Prospects" is divided into two main sections, the first being devoted to how to meet new people, establish new contacts, make new friends, and develop strangers into prospects. Section 2 takes up the development of prospects through established centers of influence—each idea presented being based upon some former contact.

A unique index of more than 200 prospecting operations, in which all subject matter of the book is classified with the main emphasis on "how to do it," enables the user of "Doorways to Prospects" quickly to find the answers to his question and adds very materially to its value as a quick reference.

"Doorways to Prospects" sells singly at \$2 and considerably less in quantity. Advance orders now are being delivered and copies may be obtained from THE NATIONAL UNDERWRITER Co., 420 East Fourth Street, Cincinnati, O., or from any NATIONAL UNDERWRITER office.

#### Newark Council Holds Outing

NEWARK—Annual outing of Life Insurance & Trust Council of North Jersey was held at Essex Fells Country Club, N. J. In the golf tournament, William Foreman, Day agency, Newark, for Mutual Benefit, won the "Bankers' Cup," to remain in his possession one year. In the evening there was a dinner.

## Engelsman Calls for Leadership

### New Ideas and Services for Public Are Needed

NEW YORK—The business needs leaders who are not afraid to develop ideas and services for the public—and who will do so without waiting until the other fellow acts, Ralph G. Engelsman, general agent of Penn Mutual Life, New York, told 250 members of the New York City Life Underwriters Association at the monthly luncheon. If it is necessary, they should have the courage to go it alone in order to develop those ideas and services, Engelsman declared. There is too much complacency in life insurance, more than is justified by the reasonably high esteem in which the public holds the business.

For life underwriters associations he suggested the use of meetings as a forum for persons outside the business to present their views. On the other hand, life insurance leaders should be out talking to non-insurance gatherings. It is important for insurance leaders to talk with their own kind, but in the final analysis the essential job is to create added prestige and understanding among those not engaged in insurance.

#### Cooperate with Other Businesses

He stressed the importance of community activity and the responsibility of co-operating with associations in other types of business to work out post-war plans, particularly in the field of governmental activity, even though the politics of the party in power do not jibe with those of the agent.

During Mr. Engelsman's 3½ years outside the business, when he was engaged in the war bond program in Washington, he made a close study of what people think of insurance companies and executives. The public thinks that life insurance companies are big, ultra conservative and sound. However, it generally considers the companies old, inanimate structures typified by the buildings they occupy. He also discovered that few people know the personalities in the business. Those personalities are anonymous. Life insurance executives are not known as leaders or national figures.

In the public mind, life insurance is a "taken for granted business." It is respected, but there is not much warmth in that respect.

#### Opinion of Agents

The public regards agents as superdoo salesmen with plenty of gall and a talent to get in anywhere, any time to see anyone. Agents are considered honest enough, but the opinion generally held is that their main objective is to make as big a commission as possible. Also, the public doesn't believe that the agent knows his business too well.

Mr. Engelsman pointed out that this attitude toward agents has not been created by association members and leaders in the business. These constitute less than one-third of the agency forces of the country. Agents are judged by the impression created by the other two-thirds.

The policyholder's conception of insurance is one of confusion. He doesn't understand values or terms. He knows instinctively that he should own life insurance, but he would feel a lot better if he had a simple, clear idea of what the policy will do for him. What policyholders think they know about insurance just isn't so.

#### What to Do

The problem is what to do to change the picture. The public doesn't distinguish life insurance from any other profit making enterprise, and Mr. Engelsman doubts that this conception can be changed. It must be taken at its face

(CONTINUED ON PAGE 10)



## Comments on Move to Equalize Makeup of N.A.L.U. Board

### National Officers Write Reactions to Chicago Proposal

Recent proposal of the Chicago Association of Life Underwriters that the bylaws of the N.A.L.U. be amended to require equal representation on the board of trustees between personal producers and general agents or managers has caused considerable comment and H. Kennedy Nickell, Chicago president, has received numerous letters on the subject from officers and trustees of the national association and others.

Clancy D. Connell, New York city general agent for Provident Mutual and national president, in writing to Mr. Nickell comments, "I quite agree with you that, other things being equal, it would be very desirable to have a higher proportion of members of our board who are field men. As you doubtless know, we have from time to time made efforts in that direction. A few years ago the council elected Eddie Dore of Detroit and Paul Dunnavan of Minneapolis. Very shortly thereafter, Eddie was made a general agent and Paul felt, after serving for two or three years, that he could not afford the necessary time to continue serving. Two years ago the council elected Fred Duckett of Los Angeles as a trustee. He has been an extremely able one and has served most acceptably both as trustee and as chairman of an important committee. This spring it was with great regret on my part that I learned from him that he did not feel that he could be a candidate for reelection.

"For many years past, I have strongly urged that continuous efforts be made to uncover and bring to the board of trustees the ablest eligible men in the country.

#### Present Machinery Adequate

"I certainly agree with you and your committee that it is most desirable to have a goodly proportion if not a majority of the 17 men, who are field men. There is no reason why this could not be accomplished with our present machinery, if we can find a continuous source of candidates who are willing to devote the time and energy and years of service that are necessary to make good trustees of the national association. I am sure that we are both looking for the same results and certainly ways and means will be found to bring about that result."

W. H. Andrews, Jr., immediate past-president of the national association and Jefferson Standard manager at Greensboro, N. C., writes in part, "I am very much interested in what you have to say about more field underwriters on our national board. You remember I expressed myself to you on this subject when you wrote me about a place to be filled this year to take care of the vacancy created by the resignation of Dudley Colhoun. I am open minded on the question of changing our bylaws to require as many field underwriters as general agents or managers, but frankly I am not so sure that we might run into some complications along the following lines:

"As it is now, our representation is on a national basis and each section of the country is represented. If we require as many field agents as general agents or managers, or the other way around, if we required as many general

## Leaders at N.A.I.C. Portland Parley



W. A. Sullivan, state of Washington commissioner, former president; C. F. J. Harrington, Massachusetts, former president; Seth Thompson, Oregon, new vice-president; R. E. Dineen, New York, new president; Newell Johnson, Minnesota, past president, and J. M. McCormack, Tennessee, retiring president. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.

agents and managers as field agents, we may some years have difficulty in getting a certain region represented. The nominating committee, under such a rule, may some years find it difficult to get a good candidate, or enough good candidates, among the field underwriters or general agents or managers, if such a restriction were imposed. However, Ken, this matter is so important, unless we are able to find some means of getting better representation from the field underwriters, I am willing for us to take a chance on the two possible objections which I have mentioned and amend our bylaws as you suggested."

Writes Jul B. Baumann, Pacific Mutual general agent in Houston and national secretary, "You may rest assured that I approve and I am sure that all trustees and officers approve, that there should be a greater distribution of general agents and managers and

agents on the board. However, Ken, I am sure it has been a problem that you are familiar with, and for years and years we have tried to secure agent representation, but not always have been successful. Then too, we find that an agent will spend a couple of years on the board, or maybe a year, and find the cost of time and money and effort is too great because it interferes with his own personal production. No doubt we could go a long way if we could find boys in the field of production who would be willing to serve for a period of time, and their experience would be of great help."

In his letter to Mr. Nickell, Walter E. Barton, president of the Knight agency of Union Central in New York city and national treasurer, states, "As an agent and infield player for a few years myself, and later years struggling along

(CONTINUED ON PAGE 11)

## Fireworks Galore on Examinations Issue at Portland

### Read Declines to Summarize Report and Battles Refought at Full Session

The activities of the examinations committee of the N. A. I. C. touched off fireworks galore at Portland. The report of one stormy session of the examinations committee was told in last week's edition. But the battle had to be refought at the final plenary session of the association.

Read of Oklahoma, when called upon to report as chairman of the committee, stated that there was so much "stuff" in it that he could not undertake to summarize the recommendations and that a full transcript of the committee meetings at Portland would be sent to every commissioner.

Mr. Read had strenuously objected to certain of the proposals, notably the endorsement of a statement submitted by zone 6 intended to improve the quality of examiners and conduct of examinations and the resolution of zone 4 to appoint a sub-committee to prepare a standard guide for the assistance of the states in conducting examinations.

When Mr. Read sought to have the whole matter disposed of by sending a transcript to the commissioners, President McCormack and other leaders were nonplussed. Various commissioners came to the rostrum and there were whispered conferences. The solution was to have the commissioner who was especially well posted on each of the matters that had been approved by the examinations committee, tell the association about them. This required more than an hour.

#### Work in Relays

Thompson of Oregon gave the substance of the zone 6 recommendation, Forbes of Michigan reported on the zone 4 proposal, Gough of New Jersey told about the recommended procedure for conducting examinations of underwriting syndicates in the fire and casualty field and Dineen of New York told about the appointment of a subcommittee to make recommendations for coordination of examinations of interstate fire and casualty rating bureaus. After the report had thus been presented piecemeal, Mr. Read, referring to the zone 6 proposal, said "you are just endorsing the ten commandments and encumbering the records with excess baggage."

Mr. Dineen declared that although there are certain portions of the zone 6 statement that might be improved, he was voting for the proposition as a move intended to improve the quality of regulation.

At a second meeting of the examinations committee before the final plenary session, approval was given to the proposed formula for examining underwriting pools and syndicates.

#### Text of Recommendations

Herewith is given the text of the zone 6 suggestions.

Zone 6 has come to the conclusion that to set a minimum standard of experience for examiners to attain to qualify to represent the zone in convention examinations would be extremely difficult of accomplishment. To a large extent, it is true that examiners are born and not made, and while education and study are indispensable one can never make a good examiner who lacks the

(CONTINUED ON PAGE 24)

## MENTAL HYGIENE

Ethel Bregen, Underwriter with the Penn Mutual's Home Office Agency in Philadelphia, has received a letter from a woman policyholder who is in charge of a psychiatric institution, and who gives an interesting opinion of the underwriter's work in life insurance, from the viewpoint of a scientist professionally active in human relations:—

"You know, come to think of it, what you are doing is surely Mental Hygiene in capital letters. Insecurity is the basis of so much mental illness, you are doing a big thing by giving hundreds the security they need to keep them on an even keel, by showing them how they can protect their future, even on a modest income. There are many who would join me, I'm sure, in saying we appreciate so much more than we can put in words your genuine interest in us as individuals. I am indeed grateful."

• • •

### THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Attempt to Keep Western German Companies Alive

Efforts are being made in the western zone of German occupation to keep life insurance organizations alive, leaving aside the question of the extent to which pre-armistice liabilities will ultimately be met, according to an article in the Review of London.

It is pointed out that until the peace treaty has been concluded and the economic potentialities of the German people have been ascertained the fate of insurance and reinsurance in that country hangs in the balance. The article says that an American insurance expert who recently visited western Europe gained the distinct impression that German insurance men, within the narrow limits permitted them, are working very hard to put their house in some sort of order out of the chaos that arose when the central government collapsed. The Review prints a summary of the conclusion of the full report on the current position of German life insurance companies to American military authorities. Parts of this summary are rephrased below:

Although German life insurance has as long a history as any other on the continent, the bulk of the business was destroyed by the great inflation of 1923. Despite this and the depression of 1930-34, by the end of 1942, 40,500,000 life policies were in force with private companies and 5,200,000 with public insurance offices, including those sponsored by the Nazi party and the state. There were 27,600,000 industrial life policies, including small ordinary policies and 11,700,000 group policies.

### Geographical Distribution

Of the 88 public or private insurance companies, 16 are in the American zone, 25 in the British, one in the French and 21 in the Russian zone, while 25 have head offices in Berlin.

Greatest problem of the day is valuation of assets with the greatest single debtor, the state, nonexistent, owing its bonds plus war damage compensation. One estimate is that 60% of assets of German life companies are of doubtful value; 50% depreciation of these assets would mean a 30% reduction in life funds, which would affect older companies some more. A plan of reconstruction is being considered by allied military authorities, tentatively based on depreciations of 10, 20 or 30%.

The accent in the report is on the need to safeguard future by restoring

confidence among policyholders, encouraging them to raise their coverage to old amounts, after depreciation, by supplementary insurance through offering them medical waiver for this additional insurance.

Claims paid by the German companies rose steadily during the war years, ultimately affecting profits seriously. A first war risk surcharge was collected and a second one was considered justified by most companies, despite the fact that state insurance supervision did not order the collection of the second.

### Full Premium Reserve

By the middle of 1945, the Karlsruher Life, which might be considered typical, had half its annual premium and interest revenue outstanding. This was a serious menace to liquidity. By law German companies are required to set up full premium reserve although in the event of a claim unpaid premiums are deducted. Consequently, they cannot set up full reserves with such relatively high amounts outstanding. Great uncertainty prevails as to the extent of future business, which will be limited by zones, as well as by ignorance of the whereabouts of many people and the dwindling interest in life insurance that may follow when wartime surpluses of cash disappear. The curtailment of business will naturally create great administrative problems, but the companies are hoping for an early decision on the extent of their business area and on position of policyholders outside their zone.

Under present conditions, no new policies can be issued and most of the agency organizations of the companies are lying idle, although these concerns have their hands full with a revival of existing business. A colossal administrative work is imposed by an act of the military government which compels the registration of all life policyholders. This act provides that persons tainted by the Nazis brush may not dispose of their assets, including life policies, except with the permission of military authorities. Companies have difficulty assuring themselves that the beneficiary would fall under the act, particularly as in the case of Karlsruher Life which had its emergency office, containing all files, burned down.

Since 46 of the 88 companies have their head offices in the Russian zone or in Berlin, the fate of these companies is naturally of importance. The military authorities must clarify with the branches of these companies, which at present only act as trustees for insureds in the American zone, whether or not these branches have any power.

## Librarians Elect Mrs. Andrews

BOSTON—Mrs. Evalyn S. Andrews, Insurance Library of Chicago, was elected chairman of the Insurance Library group at a meeting of 40 librarians. Miss Elizabeth Ferguson, Institute of Life Insurance, New York, was chosen vice-president; Miss Ruth Parks, National Safety Council, was elected secretary; and Miss Helen M. King, Provident Mutual, Philadelphia, editor of insurance book review.

Representing more than a score of companies and insurance organizations, the librarians conducted a number of discussions during the three day meeting, which was one of the principal sections of the Special Libraries Association annual convention here. More than 700 delegates attended the convention.

Numerous luncheons and teas were tendered the delegates forming the insurance section.

### F. J. Mulligan to Prov. Mutual

Frank J. Mulligan, past president of the New York Life Underwriters Association, has joined the Allen L. Dickey agency of Provident Mutual at New York as agency organizer. He was formerly with Security Mutual Life at New York City.

## N.A.I.C. Takes Many Forward Steps at Portland

### Important Decisions Are Made in Several Directions

Among the final decisions reached by the National Association of Insurance Commissioners at Portland were:

Adopted the final draft of the fire and casualty rating bills with a stipulation leaving the door open for possible further refinement at the December meeting.

Adopted the report of the blanks committee including schedule M (legislative expense of fire and casualty companies) but deleting the provision for omitting commissions received from salary schedule G of fraternal. (There is believed to be still some chance of modification of schedule M.)

Adopted a new group life definition and standard provisions.

Adopted revisions to A. & H. policy guide and definition of A. & H. franchise insurance.

### Improving Examinations

Approved, on trial basis, formula intended to elevate quality of examiners and conduct of convention examinations. Authorized naming of examinations subcommittee to prepare for December submission manual for examiners.

Approved modus operandi for conducting examinations of fire and casualty underwriting syndicates.

Provided for naming committee to submit plan for integrated examinations of fire-casualty interstate rating bureaus. Adopted resolution on securities valuations for 1946 statements.

Authorized naming of committee to ponder uniform classification of accounts legislation for fire-casualty insurers.

### Guertin Legislation

Memorialized the 15 states that must enact Guertin legislation in order to provide for uniformity in life insurance operations after Jan. 1, 1948 to do the needful.

Decided to hold midwinter meeting at Commodore Hotel, New York, Dec. 9-11.

Approved new uniform statistical plan classified fire experience.

Agreed to promote enactment of model reciprocity statute designed to curb unauthorized insurance activities.

Approved non-profit medical service statute.

Approved revisions upward in formula governing contingency reserves of hospitalization insurers.

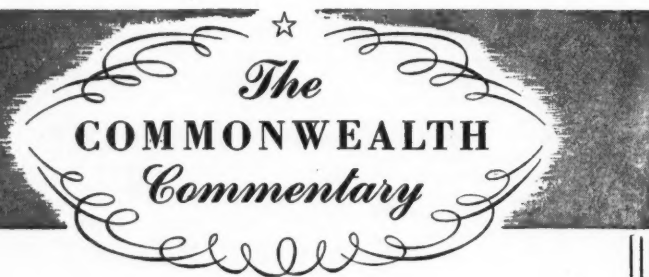
Decided to continue for 1946 statements "war economics" instituted in 1942, which include omission from fire-casualty blanks of schedule L (salary reports).

The discussion and debate leading up to these various decisions were either reported in last week's edition or are contained in this edition.

### Central Office Question

One of the capital matters that again was put over was the question of establishing a central headquarters office of the association. However, it seemed to be obvious at Portland that most of the commissioners realized that it is a project that cannot long be put off. Johnson of Minnesota, who is chairman of a special committee on the subject, merely reported that it was continuing to receive study and the committee's existence was continued.

(CONTINUED ON PAGE 10)



## FIGURES CAN BE EXCITING

Do you know which are the most exciting of all the figures in your rate-book? This, of course, is a matter of opinion, yet there are many who believe that by far the most magical are those which relate to paid-up insurance. A thorough understanding of paid-up values will strengthen your convictions about the value of the service you sell, will enhance your enthusiasm, and will greatly increase your ability to answer the prospect who asks, "What if I must quit?"

All of us know the single premium policy to be a superlatively fine investment—but many of us fail to realize that by the same token the reduced paid-up values in every life insurance policy we sell also constitute superlatively fine investments, for they are single premium policies purchased at net rates.

We urge you to study these paid-up figures, and to cultivate the habit of showing the prospective buyer the amount of paid-up insurance he will receive if he is obliged to quit along the way.

Insurance in Force, May 31, 1946—\$283,557,012

**COMMONWEALTH**  
LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

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## Union Wins Retroactive Pay Increase Dispute

A federal court decision sustaining an award of more than \$1 million in back pay to 10,000 industrial agents of Metropolitan Life has been handed down by Federal Judge Mandelbaum of the southern New York district.

The court rejected the contention of Metropolitan that payment of retroactive pay would violate a New York law and sustained the case put forward by the United Office & Professional Workers of America, CIO, which holds agreements covering Metropolitan agents in Greater New York, Connecticut, Massachusetts, New Jersey, Pennsylvania, Illinois and Michigan.

The case dates back to a collective bargaining dispute between the union and Metropolitan, which began in 1942 and resulted in a decision by the national war labor board in September, 1944, ordering an increase of \$2.85 in the average weekly earnings of the agents, retroactive to Oct. 24, 1942. The total amount involved is \$1,004,000.

While Metropolitan agreed to put the increase into effect currently with the decision, it contended that the retroactivity was contrary to New York law.

The union and the company then agreed to determine this issue in the courts and the money was set aside in a trust fund, with Charles G. Taylor, Jr., vice-president of Metropolitan; Leon W. Berney, vice-president of UOAPW, and E. J. Nichols, Manufacturers' Trust Co. as joint escrowees.

The court decision held that the law referred to was no barrier to the payment of the retroactive award and was never intended to apply to a collective bargaining case.

## Freeze War Bonds to Specific Job

The life agent has the serious obligation of planning financial programs for his clients which freeze war bonds to a specific job, so as to avoid premature cashing which would contribute to further inflation, Anthony F. Haas, Philadelphia manager for Mutual Life of New York, declared at the annual meeting of the Pennsylvania State Association of Life Underwriters at Harrisburg.

During the war, an enormous volume of buying power was stored up in war bond purchases, Mr. Haas said. Should this reservoir break loose before natural maturity, we will have a flood of buying that is apt to produce extremely serious inflationary results. In channeling these bonds in to providing funds for education, mortgage redemption, emergency, etc., the life agent can again help stem the tide.

Too many life agents are still depending too greatly upon a jovial resourcefulness, the hale fellow well met attitude. Personality has its part in selling, he said, but those who fail to bring their over all concept of the job up to the highest levels of intelligent service, will fall by the wayside.

"I am convinced that the field underwriter in the future will be measured and compensated more completely on the quality of his service than by the quantity of his business. That fact should lie deep in the heart and root of our concern," Mr. Haas declared.

## Agents Held Exempt, But Brokers Not, from Tax

LOS ANGELES—Agents here are exempt from provisions of a recently enacted city ordinance establishing a professional and business occupational tax, but brokers are not. This is the ruling of City Attorney Chesbro after conferences with insurance representatives. Persons not falling under the regular license tax ordinance were in-

cluded in the new act and made subject to a \$1 per \$1,000 of income, with a minimum tax or license fee of \$12.

Chesbro ruled that agents hold direct authority from an insurance company and so are exempt, but he holds just the opposite in regard to brokers. The California insurance code defines a broker as a person who represents the assured and not directly the company.

The state constitution provides that

taxing an insurance company or its agents by a county or municipality is not permissible, due to provision for a premium tax to be levied by the state, payable in lieu of all other taxation, direct or indirect.

It is understood larger brokerage houses will take the matter to the courts based on the supreme court decision in the case mentioned, popularly known as the Hughes case, and it is said the city

is fully aware of the Hughes case and is willing to test the decision.

The tax will be levied on the broker's commissions, not the premium income, and will be \$12 per year on the first \$12,000 or less of gross commission receipts, and on any amount above that,

Get your copy—1945 Time Saver for Accident and Health Insurance. \$4 from The National Underwriter.

# QUARTER-CENTURY CLUB

Forty Fieldmen have represented the Midland Mutual Life for 25 or more consecutive years.

Herman P. Jeffers, Manager of Tice & Jeffers Agency, Columbus, is the Dean of this group with 40 years of service and over \$42 Million of life insurance in force in his agency.

Those with over 39 years of service are: Kirby I. Dickerson, Newark, Ohio; E. O. Mowrer, Akron; O. J. Dodge, Toledo; L. U. Mechem, Bethesda, Ohio and E. C. Roberts, Canton.

Those with 38 years of service: S. B. Garwood, Columbus; W. T. Trump, Dayton, and H. H. Neptune, Cleveland.

With 36 years of service: W. J. Robison, Ravenna, Ohio.

With 35 years of service: B. F. Carter and P. L. Van Atta, Columbus, and Wm. E. Hitchcock, Cleveland.

## THE MIDLAND MUTUAL LIFE Insurance Company

Columbus 16, Ohio

## Usury Decision Reversed in N. Y.

NEW YORK—The appellate division has reversed New York supreme court's decision in *Guerin vs. New York Life*, another of a series of cases in which beneficiary's attorneys have tried to pick flaws in the validity of policy loans so as to stretch the extended insurance enough to make it effective when the policyholder died.

J. K. Guerin, executor of S. S. Myers, sought to have loans on two policies issued by New York Life declared invalid on the ground that they were usurious. He argued that because the interest "shall be at the rate of 6% per annum payable annually on the anniversary of the policy" and that "if interest is not paid when due it shall be added to the principal," interest collected between anniversary dates when a new loan was made was improperly collected, thereby making the loan usurious. The general business law sets a maximum of 6% for loans.

The lower court held the loans usurious on the assumption that interest could only be collected on the anniversary dates and that payment of the interest out of the principal of the new loans made between anniversary dates

rendered the loans usurious and, therefore, void.

The appellate court threw out this contention as being in direct conflict with the provisions of the insurance law and the policies and loan agreements. The law provides that loans shall be due and payable as provided in the loan agreement. The loan agreement provides that the insured may repay the loan "either in whole or by installments, with accrued interest thereon, at any time before default in payments of any premium."

The court points out that the provision in the policy that interest shall be paid on the anniversary date obviously refers to such payments as are made on loans which continue up to or beyond that date and that the provision is necessary because policy loans are not time loans in the sense of having a fixed maturity.

"The construction placed upon this provision by the court below would divorce the incident of such interest from the principal debt and give different maturity dates to each," the court states. "That such was never the intention of the insurance company or the insured is obvious."

### Uses Ingenious Argument

The plaintiff used an ingenious argument to try to show that a full year's interest had been collected for a loan running only 11 months, which would mean that a higher rate than 6% had been charged. The fact that the loan was apparently only for 11 months resulted from a delay in paying off the old loan and negotiating a new one, which was not done until the last day of grace. Hence the loan came due 11 months later.

As to criticism of charging interest on the overdue premium, the court said that even assuming an overcharge was made it would not make the loan usurious, for usury is a question of supervening public policy and relates to charges which are in themselves prohibited. The company had, under the law, the power to make a charge for delayed premiums, even though it did not ordinarily do so.

Life Insurance Association of America, because of the importance of the case appeared as amicus curiae through J. D. Ewing of Alexander & Green.

## Drowning When Plane Is Forced Down in Water Not Under Aviation Clause

Death by drowning after a plane had been forced down on the water, does not preclude recovery under a policy which contained an aviation exclusion clause. The federal court for the western district of South Carolina so held in *King vs. Order of United Commercial Travelers*.

The insured, Drew L. King, a second lieutenant in the civil air patrol, was on a flight as an observer in a land based plane piloted by Clarence Rawls, which developed motor trouble and was forced down on the Atlantic ocean about 30 miles out from Cape Fear, N. C. The occupants of another patrol plane saw both Rawls and King out of the plane in the water, wearing inflated life jackets and neither seemed to them to have been injured by the landing. They dropped

emergency kits, notified their base and continued to circle for about 2½ hours when shortage of gasoline forced them to head for the base. Both men were dead when picked up by navy boats about two hours later.

The policy on which suit was brought covered death effected solely through external, violent and accidental means but excluded death resulting from participation, as a passenger or otherwise, in aviation or aeronautics, except as a fare-paying passenger in a licensed aircraft operated on a regular schedule.

The cause of death given by the navy doctor was drowning as a result of exposure in the water. The court held that the insured had arrived by way of an aircraft at the place near where he was later accidentally drowned, but he was not injured in arrival or leaving the plane. The plane had not crashed, but made a normal landing. "Where the service, travel and flight in the aircraft had definitely ended and the only connection the insured had with the plane at the time he met his death by drowning was that he arrived by plane at a place near where he was drowned, his death was too remote to be considered the result of participation in aviation or aeronautics," the court said.

Johnson, Johnson & Foster and Jesse W. Boyd, Spartanburg, S. C., appeared for the beneficiary; Haynsworth & Haynsworth, Rayney & Sant, Greenville, S. C., for the insurer.

## Foehr Feted in 36th Year as New York Life Cashier

A testimonial luncheon to Charles D. Foehr, 36 years with New York Life and veteran cashier, was held during the annual state meeting of the firm at Portland. He was presented with a brief case in token of his service. Many firm officers and field men joined in lauding Foehr. He went with New York Life's Connecticut branch at New Haven in 1911. Following service in World War I he was transferred to Portland in 1919 as cashier. Maine agents of the company conducted a 35-day campaign honoring Mr. Foehr.

## Reaches \$600 Million Goal in 5 Months, Instead of 12

Continental Assurance, by May 31, had reached the goal of \$600 million insurance in force that had been set for attainment by Dec. 31. The exact figure was \$602,459,000. Thus the company did in five months what it set out to do in 12. The gain in force from Jan. 1 was \$63,113,000. The gain for the entire year was \$41 million and the 1946 objective was reached on the theory that a 50% improvement could be anticipated. However, President Tuchbreiter observes that the management was not optimistic enough. The gain is about evenly distributed as between group and ordinary. May was the second largest month this year and the third largest in history.

## Bode Appointed at Austin

G. R. Bode has been appointed special representative by Kansas City Life at Austin, Tex., with office in 405 Littlefield building.

## In Critics Corner



BOSTON—There are two reserved seats in "Critics' Corner," the spectator's booth erected by John Hancock Mutual for the convenience of those who wish to watch the construction of the new addition to its home office. Invitations to occupy these seats, on which their names are inscribed, were presented at the formal opening of the booth by President Paul F. Clark to John S. Richardson and Samuel Davenport, veteran construction critics who have "taken part" in every major building project in Boston for many years.

Mr. Richardson is 77 years and Mr. Davenport 89, retired from Government service for the past 22 years. Both veteran spectators have for years pursued their hobby of keeping a practiced eye on the mysterious workings of steam shovel, rivet and drill and according to R. C. Pitcher, clerk of the works, can give accurate and detailed accounts of all the construction they have witnessed.

## Newfarmer in Home Office Post with Mutual Life

K. J. Newfarmer, assistant manager of the Oakland agency of Mutual Life, has been appointed an assistant to Ward Phelps, the company's director of training, in the home office.

Mr. Newfarmer joined Mutual in 1937 as an agent in Oakland and in 1942 was appointed to select and train new agents there. He entered the service in 1944, and after discharge was made assistant manager at Oakland. He was a member of the National Field Club in 1939, and became a C.L.U. in 1940.

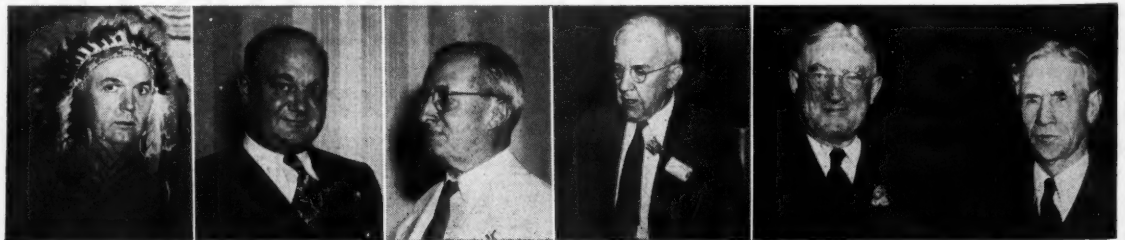
## Prizes Given at Close of Insurance Institute Study

NEW YORK—A number of prizes were awarded at the closing exercises of the insurance society of New York's classes.

In the life one class, the only one in which a cash prize was given, M. J. McNamara of Equitable Society won the \$25 cash award offered by A. G. Borden, retired vice-president of Equitable Society.

There were addresses by President L. A. Lincoln of Metropolitan Life; R. V. Goodwin, first vice-president of Fireman's Fund Indemnity and president of the Association of Casualty & Surety Executives; and A. F. Lafrentz, president of American Surety and of the Insurance Society, who presided.

Ida B. Collins, wife of James L. Collins, who has special underwriting duties with Occidental Life, died in Los Angeles after a long illness. She was known to many insurance men and women throughout the United States.



GLIMPSES OF PERSONALITIES AT N.A.I.C. CONVENTION AT PORTLAND:

Clarence Klocks, legislative counsel of Northwestern Mutual Life in his gear for the Pamunkey ceremonial; Ralph Kastner, associate general counsel American Life Convention; W. C. Schuppel, president Standard of Portland; Walter Robinson, Ohio deputy superintendent and chairman of blanks committee, and J. A. O. Preus, chairman, and Herman Ekern, president Lutheran Brotherhood. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.



IN SUPERVISING THE WORK OF THE VETERANS ENROLLED UNDER THE R & R PROGRAM, WE ARE CONTINUALLY IMPRESSED NOT ONLY WITH THEIR EARNESTNESS BUT WITH THEIR REMARKABLE PRODUCTION.

UNDER THE R & R PLAN, each student completes each week a quiz plus a complete record of his field work setting forth effort and results.

FIRST, the quizzes and reports are coming in weekly from the enrolled veterans with unusual promptness and regularity, in itself a good sign.

SECOND, the veteran does exactly what we tell him to do. He is not disposed to explain why some plan we suggest will not work for him. He accepts supervision gracefully and cheerfully.

THIRD, our average enrolled veteran is writing at the annual rate of between \$250,000 and \$300,000, persistently, week after week.

CERTAINLY THE VETERANS WHO HAVE GONE INTO LIFE INS. WORK ARE GIVING AN EXCELLENT ACCOUNT OF THEMSELVES—AT LEAST THE GROUP WITH WHOM WE ARE WORKING.

PAUL SPEICHER  
Managing Editor

THE INSURANCE  
RESEARCH & REVIEW SERVICE  
INDIANAPOLIS



## New Conservative Life Setup; S.M.U. Man Is President

DALLAS — Conservative Life of Wheeling, W. Va., has now passed into the hands of Dallas Rupe & Son, investment bankers here, Frank L. McNeny, realtor and a director of Republic National Bank, and Rogers Lacy, Dallas and Longview oil and gas capitalist.

### New officers are:

President, Frank K. Rader, Dallas, who resigned as professor of organization and finance at Southern Methodist University; vice-president and medical director, Dr. R. E. Clovis, Wheeling, who has long held this position; vice-president and general counsel, R. A. Ritchie, general counsel for Dallas Rupe & Son; secretary, H. H. Long, Wheeling, also long with the company; treasurer, Laurence Wingerter, vice-president San Antonio Transit Co., a native of Wheeling; assistant secretary and treasurer, Frank L. Cornwell, general auditor for Dallas Rupe & Son; chairman, Rogers Lacy, field superintendent, Ed L. Peters, Wheeling; chairman executive committee, D. Gordon Rupe, Jr.; directors are Dallas Rupe, D. Gordon Rupe, Jr., R. A. Ritchie, Rogers Lacy, Frank K. Rader, Frank L. McNeny and John W. Griffith of Longview, Texas, son-in-law and business associate of Lacy.

Dr. Rader, a native of Lewisburg, W. Va., holds degrees from the University of Virginia, University of West Virginia and S. M. U., and was on the faculty of the latter school for 20 years. He has been a policyholder in Conservative Life 28 years.

Home offices will be maintained at Wheeling but executive offices will be established at Dallas, where a western division sales office will be opened, serving Texas and other southwestern states. The company has been operating in 16 eastern and central states.

## Budlong, A. & H. Leader, Dies at 75

E. C. Budlong, who in his active years was one of the most prominent men in the A. & H. world, died during the night Tuesday at his home at Evanston, Ill., at the age of 75. Recently he had been associated with his son, Roger Budlong, in insurance publication work at Chicago. He retired a year ago as executive secretary of the National Association of Accident & Health Agents.

Mr. Budlong started in the business with the old Manhattan Life at Denver and then was with the old Bankers Accident of Des Moines. When that company was taken over in 1923 by Federal Life Mr. Budlong became vice-president of that company and served in that capacity for a number of years. He served as secretary for several years of the Health & Accident Underwriters Conference and was for two years its president. He wrote numerous articles and gave frequent talks on accident and health subjects.

Three sons are identified with insurance. Richard is editor of "Life Insurance Selling" and "The Local Agent"; Theodore is public relations man for the National Board of Fire Underwriters, and Roger is editor of insurance periodicals at Chicago.

### Discuss Trusts at Milwaukee

MILWAUKEE—A panel discussion on investments by trustees was conducted at the meeting of the Milwaukee Life Insurance & Trust Council. S. M. Griessen, assistant vice-president and assistant trust officer Marshall & Ilsley Bank, discussed "Investment Powers of Trustees," John M. Nuzum, secretary-treasurer, First Wisconsin Trust Co., "Investing for Trusts," and Thomas A. Moore, vice-president Marine National Bank, "Common Trust Funds and Their Uses."

## Hodder Named Neb. Director

LINCOLN—Resignation of Stanley Matzke as Nebraska insurance director was announced Monday by Gov. Griswold. Don Hodder, assistant to Mr. Matzke, will take over the duties of director, effective July 1.

Mr. Matzke will join the editorial staff of the Lincoln "Journal" newspapers in the capacity of farm editor.

He held the \$5,000 job of insurance director 13 months after appointment to fill the vacancy created by the resignation of C. C. Fraizer.

Mr. Hodder has been associated with the department the past eight years. He first served as examiner, later as actuary, and has been assistant director three years.

Mr. Hodder attended the N.A.I.C. meeting at Portland, Mr. Matzke did not.

### Hildreth Service Director

Capt. Martin L. Hildreth, who served more than five years in the army, has returned to Western Reserve Life and been made director of policyholders service.

## McKell Heads U. S. Chamber Group

W. E. McKell, first vice-president of American Surety and president of New York Casualty, has been appointed chairman of the insurance committee of the Chamber of Commerce of the United States. Mr. McKell has been a member of this committee for the past two years.

Mr. McKell as chairman succeeds Chester O. Fischer, vice-president of Massachusetts Mutual Life.

### Ballard Host to Staff

Agents in the A. J. Ballard agency of Minnesota Mutual at San Antonio produced \$600,000 of business in April and were the guests of Mr. and Mrs. Ballard at Heart O' The Hills Inn for two days.

### Weber Resigns Buffalo Post

B. J. Weber has resigned as manager for Home Life at Buffalo but will continue with Home Life as a personal producer. He joined Home in 1919 at Buffalo. His father, C. N. Weber, retired in 1940 after 38 years as general agent.

## New Official Lineup of Commissioners Body

President—Robert E. Dineen, New York. Vice-president—Seth B. Thompson, Oregon.

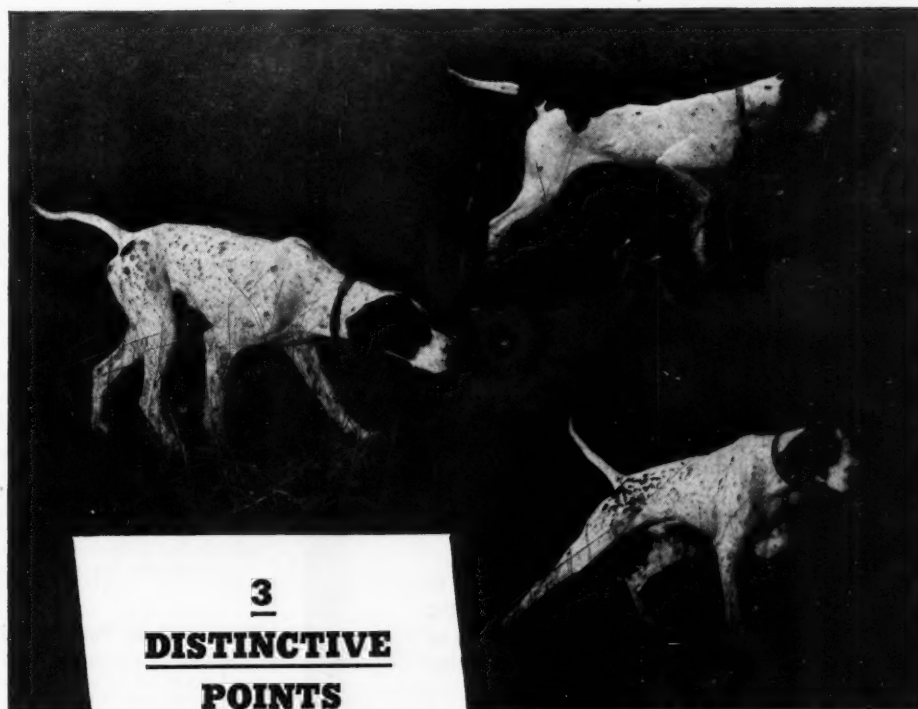
Chairman executive committee—J. Edward Larson, Florida.

Secretary—Jess G. Read, Oklahoma. Members of executive committee at large—W. P. Hodges, North Carolina; Maynard Garrison, California; Nellis Parkinson, Illinois.

Members of executive committee elected by zones—Zone 1, W. Ellery Allyn, Connecticut; 2, Gregg L. Neel, Pennsylvania; 3, Wade O. Martin, Louisiana; 4, David Forbes, Michigan; 5, Luke J. Kavanaugh, Colorado; 6, Oscar W. Carlson, Utah.

Zone chairmen — Zone 1, Allyn; 2, George Bowles, Virginia; 3, Owen Jackson, Missouri; 4, Forbes; 5, G. B. Butler, Texas; 6, Thompson.

A. O. Payton, vice-president Western & Southern Life, has been reelected president of the Cincinnati Baptist Home for the Aged.

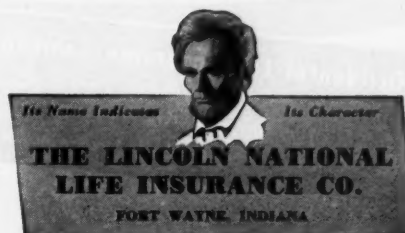


### 3 DISTINCTIVE POINTS

The ideal income for the family plan should be flexible. Through the use of a special "rider," LNL's Family Income (income during dependency of children) and Family Maintenance (income for stated number of years) Plans offer great flexibility because they embody these three distinct points:

- 1) The special "rider" may be added to many types of LNL policies.
- 2) The special "rider" may provide a clean-up fund or not, as desired.
- 3) The special "rider" may provide a monthly income of either \$10 or \$15 per \$1,000 of principal contract. This unusual feature allows 50% more income for the same amount of principal contract.

LNL representatives serve the public in 42 of the 48 states, Hawaii, Philippines, Canal Zone, and Puerto Rico.



## 20 Pay Life Five Times More Popular in GI Conversions

WASHINGTON — Twenty-payment life is five times more popular with veterans than either of the other permanent forms into which NSLI term can be converted, according to Harold W. Breining, assistant veterans administrator in charge of insurance.

To May 31, VA figures show nearly 300,000 veterans had converted to permanent plans. Of this number, 165,000 chose 20 payment life; 33,000 30-payment, and 32,000 ordinary life. There were about 60,000 conversions not yet tabulated.

Mr. Breining said the popularity of the higher premium insurance probably results from the veterans' desire to get their insurance paid up during the most productive period of their lives. He explained that each of the three kinds of converted NSL has its own advantages and that the type of policy a veteran should convert to depends upon his individual needs and prospects.

Cautioning veterans against being too hasty about converting and calling attention that policies issued before Jan-

uary 1, 1946, may be converted until eight years after date of issue, also to legislation now pending in Congress to permit conversion to additional types of insurance; Breining said that the veteran should be reasonably certain about his economic status before he converts.

### Assays Women In Life Careers

The educational division of The Institute of Life Insurance has prepared a leaflet "A Career For You" presenting opportunities for women in life insurance, at the request of vocational guidance counsellors and company personnel executives. It answers questions as to opportunities for highly trained and technically skilled women, where a high school graduate can begin, what are a woman's chances of becoming an agent, employment outlook and whether women like life insurance positions and why. It has been sent to vocational guidance divisions of all state departments of education and to all colleges and universities in New York state where women are enrolled. A number of life companies have placed orders for it, as well as many institutions and women's groups.

George A. White, president of State Mutual Life, has been elected a trustee of Williams College.

## U. S. Chamber of Commerce Votes on Declarations of Policy on Insurance

Declarations of policies on insurance which advocate strongly the free enterprise system are being voted upon by members of the U. S. Chamber of Commerce.

Recommendations drafted by the committee on policy include asking that state supervision be as nearly uniform as possible and under a uniform minimum standard.

Other declarations say:

Entrance by government into any phase of insurance business except heretofore issued N.S.L.I. is strongly opposed.

State taxes should be uniform and equitable and federal estate taxes need amending to provide that life policies over which the insured has no element of ownership or control should not be included in an insured's estate; a reinstatement of the \$40,000 exemption for life insurance; exempt from state taxes insurance which has been specifically purchased and ear-marked for payment of such taxes. A limited deduction from income tax for savings out of income through payment of life insurance premiums, purchase of homes, savings bonds, deposits in banks, etc., is advised, together with the recommendation to broaden the scope of provisions relating to pensions, profit sharing and annuity plans in order to reduce unfair and heavy taxation on individuals when they first become vested with the right to a pension or annuity.

Federal and state governments should encourage private investment in the nation's business and insurance companies should not be required to compete with government in making investments, a practice which lowers interest rates.

### Against WMD Bill

Legislation by federal or state governments designed to extend government-operated social security plans to include accident and health and hospitalization are strongly opposed. Such action is considered as direct competition with services and benefits now provided by private initiative. If benefits need be more widely provided insurance may be administered under principles similar to the workmen's compensation laws.

Laws adopted by any state requiring special deposits of cash or securities by insurance or surety companies only for the benefit of the people in that state are inimical to the interest of policyholders and impose a burden impractical for companies to carry, the declaration states.

### Women Hold Final Session

The final meeting for the season of the League of Life Insurance Women of New York was held as a picnic at the home of Elsie Matthews in Caldwell, N. J. On behalf of the league Lillian Josephs presented a clock to Helen Wolfsohn, retiring president.

### Name Four General Agents

W. H. Waters, Austin, Texas manager for American Home Life, announced the appointment of these general agents; W. L. Oldfield, Waco; L. G. Gregg, formerly with National Liberty Life and Reliable Life, at Houston; O. D. Harlan, and N. W. Reiter, both at San Antonio.

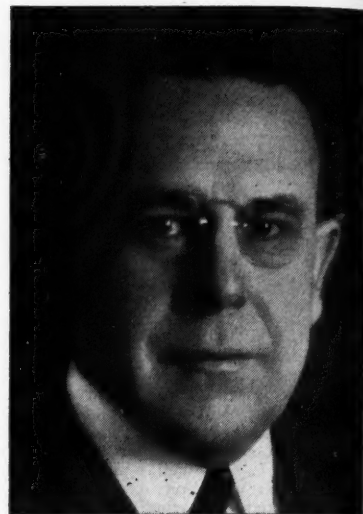
If you take pride in your work, you are doing something worth while.

If you are satisfied with the mediocre you will not advance beyond that point.

THE bee that gets the honey doesn't hang around the hive.

NOWHERE is the goal of him who follows the route of Anywhere; the man who aims at nothing usually hits his mark.

## Agents Honor Edwards on 30th Year



The "Quick Qualifiers" committee of the R. S. Edwards agency of Aetna Life in Chicago put on a special campaign for Mr. Edwards in view of the fact that he turned his 30th year with Aetna May 16. Mr. Edwards was away on vacation when his staff rolled up written volume of \$2,119,000 in 30 working days. The average case was \$8,000 and insurance was written on 265 lives.

### Agents Hosts at Dinner

The committee in charge consisted of Rudolph LeBoy, chairman; Sam L. Berg, Ben Sax, C. P. Kennedy, and Art Hicks of Joliet, all big producers. The windup was a fine turkey dinner given by the agents to Mr. Edwards with Mr. LeBoy as toastmaster. There was no speech making but purely good-fellowship. An interesting quiz program in which wrong answers cost the agent a dime wound up the evening. Coaching the "victim" called for a 25 cents penalty.

The Edwards agency was first in Aetna country-wide last year and first this year up to the time of the dinner. Mr. Edwards has been general agent in Chicago for 14 years and a general agent of Aetna 20 years, previously in New York City.

### Added Starters at Savannah

A talk on "Socialized Medicine" by Dr. J. L. Elliott, county coroner at Savannah, will be a program feature at the annual meeting there June 21-22 of the Georgia Association of Life Underwriters. Several speakers previously were listed. W. J. Hamrick, vice-president Gulf Life, will speak on "If I Were Your Prospect"; W. Sheffield Owen, director of ordinary agencies Industrial Life & Health, on "Possibilities for the Life Underwriters"; W. V. Walker, vice-president Life & Casualty, on "The Value of Man." Homer C. Parker, comptroller general of Georgia, will give a luncheon address, and L. G. Gordon, vice-president Citizens & Southern National Bank, a talk at the banquet. There also will be a life insurance skit.



The Boston Mutual Life Insurance Co.  
Fifty-fifth Year of Service to the People of New England.



## WERE WE WRONG BACK IN 1941?

NOT IF M. S. RUKEYSER, noted financial commentator is right!

"Inflation, evidenced by a substantial rise in the cost of living, is tending to make the average American underinsured..." says Mr. Rukeyser in his International News Service daily economic column of April 7 in the Los Angeles Examiner and other papers.

"In view of the present emergency need to augment coverage to offset the decline of the purchasing power of money, companies ought to offer a diminishing term policy unhitched to other insurance..."

Our Income Replacement policy, first offered in 1941, is such a plan. So are our Mortgage Protection plans. And so, in its basic essentials, is our \$15-a-month Family Income Rider attached to 5-Year Renewable and Convertible Term Insurance.

Insurance buyers who have this prescription may fill it here.

Occidental Life Insurance Company  
of California

V. H. JENKINS VICE PRESIDENT

"We pay lifetime renewals — they last as long as you do"





## Revise Quality Award Basis

The directors of L.I.A.M.A. have approved three proposals made by N.A.L.U. for changing the basis of the national quality awards which are made jointly by L.I.A.M.A. and N.A.L.U. They would exclude death claims in figuring persistency, exclude as terminations term policies converted during the first two years and make full time agents eligible even though they change companies in the two years production period used in measuring persistency.

D. Gordon Hunter, Phoenix Mutual, was appointed chairman of a subcommittee to work with N.A.L.U. on a statement of guiding principles on conditions and problems in the agency field. A similar subcommittee will be named to work with N.A.L.U. on agents compensation.

The committee on cooperation with other organizations, headed by C. J. North, Metropolitan, recommended that L.I.A.M.A. take active steps, in cooperation with other organizations, in legislative and regulatory matters which concern the agency system, such as agents qualification laws and savings bank life insurance.

V. B. Coffin, Connecticut Mutual, reported that progress is being made in the cooperative undertaking with N.A.L.U. to provide for the extension of life insurance marketing courses like Purdue's.

W. M. Rothaermel, Pacific Mutual, chairman of the A. & H. committee, reported that sufficient interest in A. & H. problems had been found through a poll that a meeting of companies writing this coverage will be called later this year.

The directors will meet again at Cleveland, Sept. 9-10.

## Group Conversion Issue Is Won by Sun Life

The privilege granted to a certificate holder in a group policy to convert his insurance to an individual permanent plan upon terminating employment does not include the privilege of the individual to convert when the entire group contract is terminated, according to the Kentucky court of appeals in *Sun Life of Canada vs. Damron*.

This is an issue of timely interest because the insurance commissioners association just last week adopted new standard provisions for group insurance whereunder a certificate holder who has been insured for five years or more may convert up to \$2,000 of his coverage to a permanent basis if the contract as a whole is terminated.

In this case, the Pike county circuit court had rendered a judgment against Sun Life.

George D. Damron was a certificate holder under a group policy carried by Pike county board of education. The school board canceled the policy effective Dec. 15, 1942, and Damron asked the agent of Sun Life to convert his certificate into an ordinary life policy. Sun Life declined to issue the policy. He died March 9, 1944, and his widow, Gertrude Damron, brought action against Sun Life to recover \$1,000 less the premium which he had tendered and would have been required to pay had the converted policy been issued.

Mrs. Damron contended that a fair construction of the policy means that the employee should have the right to convert it into term insurance when he is no longer covered under the group policy. The court pointed out that the conversion privilege applies only when the employee leaves the service of the employer while the policy is in full force and effect.

The court stated there evidently are some sound reasons back of the provision that forbids conversion while an employee remains in the service of the employer. To permit conversion while still in the service of the employer would

effect a disturbance of and tend to destroy the character of the group as a whole. A number of states by legislative enactment have forbidden the privilege of an employee to convert while in the service of the employer. To do otherwise would be destructive of group insurance. Mr. Damron continued working for his employer long after the group policy had lapsed. He undertook to convert while he was yet in the employment of the school board. This, under the terms of the conversion clause, he could not do.

## Three More L.I.A.M.A. Companies

Three additional companies have been elected to membership in the Life Insurance Agency Management Association: Rio Grande National Life of Dallas, Monumental Life of Baltimore, and Industrial Life of Quebec. This brings total membership to 165, the largest in history.

Emery Gustine, Sioux City manager for National Fidelity Life, has returned to his agency after having spent the last four months at Phoenix, upon orders of his physician. He has fully recovered.

## Medical Fund Makes Awards

A new step in support of research in the field of diseases of the heart and arteries was taken by Life Insurance Medical Research Fund with the award of nine fellowships, the first to be made, totaling \$23,000, for post-graduate research and student training. Also 11 new grants, totaling \$162,000, were made to 10 institutions for research. These sums bring to \$621,000 the allocations for research made by the fund since it started operation last fall.

## Offer Senior Fellowships

Senior fellowships ranging from \$2,500 to \$3,500 go to graduates who have a doctor's degree while junior fellowships of from \$1,500 to \$2,000 go to undergraduates for an extra year for training in scientific research.

Of the first fellowships four are for postgraduate research into cardio-vascular diseases and five are to students for training and research.

The office of the fund is being established at New York Academy of Medicine.

Eight of the new grants are for study of the physiology of circulation or circulatory dynamics.

## Pass OASI Tax Increase

WASHINGTON—The decision of the House ways and means committee to increase the OASI tax rate to 1½% each on employers and employees beginning Jan. 1, 1947, and continuing for five years, if adopted by Congress, will yield an estimated \$650 million additional revenue annually, according to estimate. These additional collections would bring total annual yield from the OASI tax up to around \$2 billion a year.

The ways and means committee is understood to believe the increased tax rate is necessary to preserve the integrity of the OASI reserve fund, which is now about \$7.4 billion, over a period when demands upon it may rise progressively.

Meanwhile, the Senate has passed a bill providing for free insurance benefits under social security for dependents of veterans who die within three years after separation from military service. In case of such death the veteran would be deemed to have an insured status based on hypothetical earnings.

# PUTTING THE *SURE* IN INSURANCE



WHO values life insurance most?

Naturally, the man who can't get it. By the same token, life insurance is most treasured when disability jeopardizes the protection and security that it affords.

Why let the chance of disability endanger your clients' protection? Why not make certain that you have made their insurance sure?

It's easy when you write Prudential business. Every standard

rating Prudential ordinary policy (up to a maximum coverage of \$100,000) includes provision for waiver of premium in event of disability before age 60.

Your clients will appreciate this added feature. And remember, you don't have to "sell" it—it's there.

Prudential puts the "sure" in insurance.

**THE PRUDENTIAL**  
A MUTUAL LIFE INSURANCE COMPANY



**INSURANCE COMPANY  
OF AMERICA**  
HOME OFFICE . . . NEWARK, N. J.

## Group Definition Is Recast

(CONTINUED FROM PAGE 1)

cerns the matter of notice of termination of insurance to the employee whose employment has terminated. Usually the insurer does not know that the employment has terminated until weeks or months thereafter. The committee endeavored to meet this problem by providing a 45 day conversion period with free coverage during that period. This is in lieu of any provision for notice.

Mr. Allyn referred to the fact that there had been discussion concerning the possibility of an employer receiving in dividends and other refunds more than he contributed toward the cost of group insurance, and also concerning the matter of rebate with respect to group life insurance issued to creditors. The committee expresses the belief that legislation on these points should be proposed, but that it should not be a part of the standard definition or standard provisions. Mr. Allyn pointed out that the new setup is designed for permanent group cover as well as annual renewable term.

Bowles of Virginia asked for incor-

poration in the report of a statement that whereas the employer-employee relationship is highly desirable in group plans, it may be desirable to permit employee-pay-all arrangements in connection with public employee association groups. Such employees, he contended, are entitled to consideration where they are not able to get federal or state contributions to the cost of the insurance. "Do they have to unionize in order to get it?" he asked.

In recognizing labor union groups, he said, the committee said it was recognizing existing facts. Why not also recognize the problem of public employees? He recommended that the wording of what he proposed be made to follow closely the provision regarding labor union groups.

### Opposes \$2,000 Limit

Harrington of Massachusetts said that under certain circumstances the employee-pay-all provision is desirable. For instance, in the depression certain employers discontinued group insurance because of the cost. The employees desired to have the protection continued and were prepared to pay the entire cost themselves. Under the Massachusetts law, this was not permitted, but the department ruled that if the employer would contribute one cent to the

cost, such an arrangement would be legitimate.

Mr. Harrington also expressed objection to the limit of \$2,000 which is set on the amount of permanent insurance that an individual can get by way of conversion when the entire group contract is canceled. He said he would not permit the \$2,000 maximum to be enacted in Massachusetts.

### Would Bar Excess Dividends

Also he said that companion legislation should be recommended to prohibit the employer getting a dividend from the insurer in excess of his contribution and also prohibiting the creditor under group creditor plans, from receiving the agent's commission.

Deputy Mashburn of Tennessee said his state concurred in the Harrington objection.

Mr. Allyn declared that the \$2,000 maximum was arrived at after much study, and declared that it is the Massachusetts provision at the present time.

## Engelsman Tells How Public Views Insurance

(CONTINUED FROM PAGE 2)

value. Then it is up to the business to act and conduct itself as other large, modern enterprises and to compete with these businesses for the public's dollar. Soon, he said, the public will have other things to buy and agents will have to fight to sell insurance.

He suggested that insurance business find out what the customer demands of the product, how it can improve its service and in general how to market it. Other businesses use impartial opinion surveys to learn what the customer wants and then gives it to them. The life insurance business has told the customer what it should have and how it should have it.

He suggested that such a survey will reveal that some of the things wanted by the public will be startlingly simple.

### Other Needs

The business has had the whole war to study new products and services, but nothing is being produced, he said. A simple understandable contract is needed. The contract should be flexible enough to meet conditions insured meets. There should be special plans for women, whose needs for life insurance differ from those of men. The premiums should be simplified.

It will be impossible to attain a simple, easily understood contract until some one company steps out and produces it, he said. It will not come from "cooperation." More competition is needed between companies in developing ideas and services. That would be a healthy thing for all in the insurance business.

In turning over the presidency of the association to Patrick Collins of Metropolitan Life, David B. Fluegelman, Northwestern Mutual, said that with the current pressure to induct a great many new men into the agency ranks, constant vigilance is going to be necessary to maintain the standards of agency representation. A committee has been appointed to work with the association and the National association to maintain the barriers against free and easy induction of new men.

Charles J. Leave of the Myer agency of Mutual Life was presented a war bond for the best idea of the month, based on his article, "The Certainty of Uncertainty," in the January, 1946, issue of the association's bulletin.

### Parker Undergoes Amputation

Homer C. Parker, comptroller general and insurance commissioner of Georgia, underwent an operation involving amputation of the left leg below the knee. His condition is reported fair. He has been ill several months and withdrew from contest in the present campaign for reelection, and has been hospitalized for some weeks. He was first taken ill en route to the N. A. I. C. convention at Grand Rapids last December.

## N.A.I.C. Takes Steps at Portland

(CONTINUED FROM PAGE 4)

The question has pretty much passed the stage of whether there shall be such an office and has reached the point of what kind of an operation it shall be. One proposal is that the association utilize as its headquarters organization, the Council of State Government at Chicago which performs secretarial and other duties for the Association of Attorneys General, the Governors Conference, etc. Some of the members, however, are loath to make such a connection in the fear that N. A. I. C. might thus soon lose its characteristic identity and come under the dominance of its secretariat.

### Cite Attorneys General

Those who share this fear say that this has been the fate of the Attorneys General Association since its affairs were turned over to the Council of State Governments.

There is also some balking at the idea of setting up an independent secretariat with a prominent and aggressive man as executive secretary or manager because here again some of the commissioners feel that such a man might do a lot of speech making and become the voice of the association and tend to place the individual commissioners in the role of puppets.

Some of the commissioners favor merely an office that would be in charge of an efficient and intelligent woman, and that would serve as a clearing house of information, a place to have action of individual states in various matters bulletined to members, reports mimeographed and distributed and, in other words, to operate as a service station. If all, or nearly all, of the states enact fire and casualty rating laws, some commissioners feel it will be especially important to have the membership advised promptly of the action taken on rate filings in individual states. When filings are made on a national basis, as for example in connection with automobile insurance, the commissioners will want to compare notes and compare their judgment with that of the other state officials.

### Present System Is Luxury

Most of the members feel that with state supervision on trial as it is, and with insurance having become such a monumental industry, and with so much emphasis being placed on uniformity and integration of its government, N.A.I.C. can no longer afford the luxury of operating out of its hat, so to speak. There are committee meetings, zone meetings and conferences galore, and these all produce briefs, memoranda, drafts, etc., that should be put in the hands of all the commissioners, or at least, summaries furnished to all departments. Frequently at committee meetings some commissioner will complain that he has not been apprised of some discussion or action and the chairman of the committee will paw through his files in an endeavor to prove that he did send his colleagues such information on a certain date.

There is almost universal recognition that the commissioners have got to pull together as never before and that an individual state cannot go off on a tangent without reference to the national pattern, except at the risk of jeopardizing the entire system of state supervision.

The new official line-up is exceptionally strong. Dineen of New York, as president, can be counted on to see that the association keeps on its toes. Thompson of Oregon, the new vice-president, is forceful and well informed. Larson, the new executive committee chairman, is one of the most popular men in the association. He does little talking in open meeting, but is influential behind the scenes and in his quiet

# OPPORTUNITY

We have excellent openings in the following territories for General Agents and consistent producers:

Arizona	Missouri
Illinois	Nebraska
Indiana	Ohio
Iowa	Oklahoma
Kansas	Texas
Maryland	Virginia
District of Columbia	

You will be especially interested in our Complete Coverage Package Plan. Also our unique Miracle Letter Lead system. And, above all else in knowing how you can create \$1,000 in renewals the second year by averaging only three Package Plan sales weekly and how in five years you can have an income that will make you financially independent. Correspondence Confidential.

HUGH D. HART

Vice-President and Director of Agencies

**Illinois Bankers Life**  
**Assurance Company**  
MONMOUTH, ILLINOIS

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winning manner, he may be able to resolve conflicts that get into the open and avoid conflicts in their incipient stages. He is forthright and businesslike.

The election of Larson as chairman of the executive committee became a foregone conclusion after the conventioners had been at Portland just a few hours. There was a well organized campaign in his behalf. Hodges of North Carolina was also a possibility, but nothing resembling a contest emerged. Hodges is also an extremely popular man in the association, and when he was nominated for a member of the executive committee at large, a dozen or more commissioners enthusiastically made seconding talks for him.

#### Long in Session

The meetings of the commissioners association become more and more intense and prolonged as the years go by. The commissioners were in session virtually all the daylight hours commencing at 2 p. m. Sunday and winding up 7 p. m. Wednesday. There were two days on which the sessions ran until that hour. On Tuesday the exciting session of the rates and rating organizations ran until that hour and then on the final day, the plenary session stretched out until seven, and this despite the fact that in the same room cocktails were arrayed on a long table in preparation for the

party given by the Pacific Board, which was to have started at 6 p. m.

George W. Haerle of the Charles W. Sexton Co., Portland local agency, and general convention chairman, announced that the registrations reached 677. This included no local people.

#### Correct Error in Kenyon Remark

R. V. Kenyon, Home, Grand Rapids, has written THE NATIONAL UNDERWRITER as follows: "It has just come to my attention that the May 10 issue of THE NATIONAL UNDERWRITER carried a statement which I was supposed to have said at a life leaders meeting that the court prevents placing keyman insurance on partnerships (partners). I am sorry I didn't know of any such ruling and did not make such a statement. I did say that court decisions in reference to life insurance are very sketchy in comparison to the rather clear-cut decisions on corporations."

#### Two Qualify As Millionaires

Warren Coe, Penn Mutual general agent at Oshkosh, Wis., and Harry Phillips, Jr., general agent of Penn Mutual in the Engelsman-Phillips general agency, New York City, have qualified for the Million Dollar Round Table, each writing a million the first five months this year. Mr. Phillips returned to life insurance work in November after three years in the army air forces.

me that no thinking general agent or manager could disagree with this thought inasmuch as the membership of the association is made up of at least 85% field men. You will find that this idea will gain momentum and will be a good thing for the policyholders, the life insurance business as well as good for the general agents and field men alike."

#### N.A.I.C. Declines to Adopt Simplification Plan

(CONTINUED FROM PAGE 1)

states where Guertin legislation is necessary that have not enacted the laws.

The committee points out that these laws were not sponsored by the life insurance companies. They are the laws of the commissioners and must be supported by them. The insurers favor these laws now primarily because they do not want to face the confusion which necessarily will result from the use of two legal valuation standards in connection with current business. The committee stated that the laws are necessarily complicated, but they are fair to the policyholder and the assured.

Some of the 15 states that have hesi-

tated to pass the laws have failed to act because they are complicated. Others have passed the laws with some modification. The subcommittee on standard non-forfeiture and valuation laws of the life committee have been considering whether, in the light of experience to date, some additional changes may be desirable. The final action may be expected in December.

#### Testimonial for A. A. Rydgren

President A. A. Rydgren of Continental American Life was guest of honor at a luncheon at Wilmington as the final feature of the Rydgren 25th anniversary month campaign. Officers and qualifying agents attended.

Frank L. Rowland, executive secretary Life Office Management Association, was the guest speaker.

Agency Vice-president Max S. Bell presided and introduced Robert Kruh of Newark, who presented Mr. Rydgren with a sterling silver tray and a parchment bearing the names of all who produced during May. Kenneth R. Brown, Rochester, president Continental American's Managers' & General Agents' Association, presented him with a sterling silver tea service.

## Comments on Move of N.A.L.U. Board

(CONTINUED FROM PAGE 3)

somewhat in agency management, I am indeed quite in accord with your report as regards proportionate recognition of soliciting agents. This is very constructive, although may I say quite in line with the general thinking of the board of trustees."

#### Orr's Comments

Trustee Clifford H. Orr, National Life of Vermont general agent at Philadelphia, says, "I find nothing in the resolutions with which I take exception. I think we might run into difficulty, although it is certainly worth trying, to have an equal number of soliciting agents with general agents on the board of trustees. You, of course, are fully familiar with the apparent difficulty that has arisen through the years in an effort to get soliciting agents to stand for office on the board."

Edward Choate, New England Mutual, president of the Life Underwriters Association of Los Angeles, says, "I heartily agree with your action and would like to see the Los Angeles association formally express themselves as to an equal number of agents on the national board."

Stacey E. Webster, national trustee and Provident Mutual general agent at Pittsburgh, says, "I am in complete accord with the thinking that field men should be more prominent in such matters, and especially on the board. This has been discussed a great deal in the past. We have had considerable difficulty getting men with ability to serve. My personal activity in endeavoring to obtain better committee member selections, which we thought would encourage potential material, Phil Hobbs understands quite well. We certainly hope that the principles involved in the report can be carried out at an early date."

#### CHICAGO EXPERIENCE

In making its report to the directors of the N.A.L.U., the C.A.L.U. recommended that the national association suggest parallel action be taken in local and state associations where equalization rules are neither written in the bylaws or practiced. The report pointed out that this would strengthen local association boards and provide the national nominating committee with a good supply of well known personal pro-

ducers, experienced and qualified, in the ranks of local and state units.

The report suggested that to meet the circumstances when a soliciting agent is appointed general agent or vice versa, the bylaws should further provide that he may serve out his term of office.

The Chicago association's recommendation was based upon 25 years' experience during which the bylaws of that body have provided that equal numbers of soliciting agents and general agents or managers be elected directors at each annual election. Chicago association bylaws also provide that officers shall be alternated yearly between producers and managers.

The Chicago association gives to these rules credit for the attainment of the present large size of the association and reiterates the belief that if this policy is adopted by N.A.L.U. one of the results which will be felt is a large and rapid increase in membership. Many soliciting agents, the Chicagoans point out, will join who have remained outside of the organization because of the predominance of general agents and managers on the board of trustees and in its major activities. The Chicagoans admit this situation is not the result of any specific bylaw giving predominance to general agents and managers, but say it can be remedied by a bylaw which will again interest agents in holding office.

The recommendation was originated in the Chicago association's advisory council, a "town hall assembly" which has been in existence for 10 years and is made up entirely of soliciting agents representing each agency. Its chairman is a vice-president or director who is a field man. Debated proposals that win a majority vote in the council are referred to the proper standing committee, headed by a director or in the case of the national affairs committee by the national committeemen. The national affairs committee is a creation of this "grass roots" council.

One of the strongest proponents of more equalized representation has been Harry T. Wright, Equitable Society, Chicago, past-president of the N.A.L.U., who writes Mr. Nickell, "I should like to compliment James H. Brennan, chairman of the national association affairs committee, for a job well done. Chicago can take considerable pride in sponsoring the idea of equal participation on the board. It would seem to

#### FIRST MEETING OF

#### OHIO NATIONAL FIELD ADVISORY BOARD



Seated: Al Brennan; Buck Butler; George Wade, Chairman; Fred McMaster. Standing: Tom Strange, Secretary; Henry C. Coutret; N. E. Glassbrook, Vice-Chairman.

The new Field Advisory Board is a liaison group between Field and Home Office of the Ohio National through which constructive suggestions, criticisms, and new ideas can be discussed, weighed and measured.

Its conclusions are to be carried from Field to Home Office and vice versa with a degree of unanimity and endorsement which could not otherwise be accomplished.

Ohio National Agents gain full company cooperation—always.

#### THE OHIO NATIONAL LIFE INSURANCE COMPANY

T. W. Appleby, Pres.

CINCINNATI, OHIO

THE OHIO NATIONAL  
LIFE INSURANCE COMPANY

CINCINNATI, OHIO



## EDITORIAL COMMENT

### Correction and Apology

The Committee of Big Insurance Company Vice-presidents to Promote a \$4 Billion Government at Washington has written to THE NATIONAL UNDERWRITER chiding us for neglecting to note in the June 7 editorial that Mr. Truman's predecessor at Washington was a big insurance company vice-president,

Franklin D. Roosevelt having been vice-president of Fidelity & Deposit of Baltimore with assets of \$37,523,156. We offer our apologies for this shocking oversight that occurred and seek to make amends at once by printing this correction as prominently as the original editorial.

### Selection of a Convention City

We probably have outgrown our clothes without realizing it. This comes to mind today in the matter of conventions. Some years ago even medium size cities entertained the large associations with comfort. They had the hotel accommodations, although they may have been somewhat limited. They accepted such conventions as the National Association of Insurance Commissioners, National Association of Insurance Agents, National Association of Life Underwriters, and their conventions require the greatest possible hotel facilities. These conventions run up to 1,500 and more in attendance. It is plain to see, therefore, that the cities that entertained these conventions some years ago are not prepared today to do so. Even the more modest conventions, those that may have an attendance of 150 to 200, have to look for larger cities. Years ago medium size cities with ordinary hotel accommodations could easily take care of them. They cannot today. There has been a great

increase in membership in the insurance organizations of all types. Therefore, the old geographical manner of selecting conventions is outmoded.

It was a fine gesture of cordiality and hospitality on part of insurance men to desire conventions in their homeland.

The actual accommodations may be far from satisfactory. It is a very bad advertisement for a city. In fact, today no person or body of insurance men should invite a convention unless they are fully prepared to entertain the guests chiefly in the hotel where the convention is to be held. If there are nearby hotels visitors do not mind going to them, but where they are scattered all over the city there is always much complaint. These conventions have outgrown us in our estimate of numbers. A selection of a convention city is a very important one. Insurance men should think before inviting. They should know whether the city is prepared to entertain the convention in good shape.

### Investing in Preferred Stocks

It seems unfortunate that the commissioners have again turned down the carefully worked out plan of the life companies for a special basis for valuing preferred stocks. This plan would smooth out the sometimes violent fluctuation in preferred stock values that would have a disturbing effect on a life company's surplus if any great amount of such stocks were held.

Use of straight market values for insurance company holdings is an attempt to size up the worth of these holdings but to stop there is to overlook the real reason for having such a thing as an annual statement of assets and liabilities. The purpose of an insurance company's having assets is not primarily to make an impressive showing in the public eye but to make sure that the company will be able to meet its obligations as and when they come due. In the case of a life company it must earn at least the

rate of interest assumed in the policy.

Because of the long-term nature of life company operations and the fact that there is no "catastrophe hazard" as there is with fire insurance, for example, the quick liquidating value of securities is not particularly important as long as there are enough securities to meet unexpected demands such as a wave of demands for policy loans or surrender values. If preferred stocks, considering the limited amount of them that any company would ever hold, had no market value whatever but could be depended on to keep on paying the specified dividend their value to life companies would not be impaired at all from a practical standpoint.

Those who are concerned because an adjusted value for preferred stocks would fail to state what it could actually be sold for are overlooking the fact that there is an element of fiction even

in valuing everything at the market. Obviously, if some fantastic combination of circumstances were to compel life companies to sell holdings to meet death claims or surrender value demands it would be impossible for the market to absorb such a flood of investments at anything approaching their market value as of Dec. 31 of the previous year.

The fact that a life company, using the proposed special basis for valuation of preferred stocks might not be able to sell them for exactly what they were being carried at in the annual statement is not important to the policyholders or the companies' ability to meet their obligations as they come due. What is important is that life companies be enabled

to utilize more fully the channel of investment which preferred stocks represent and which they now largely shy away from because they are fearful of the effect on the looks of their annual statements.

It is particularly important because so many corporations have seen the wisdom of tying themselves to a fixed-interest obligation, such as is involved in financing through bond issues. These corporations prefer financing through stock. Since it tends to be the stronger corporations that finance through equity rather than through debt the wisdom of doing anything within reason to encourage life companies to invest in preferred stocks seems clear.

## PERSONAL SIDE OF THE BUSINESS

**Clare A. Lee** of Salem, former insurance commissioner of Oregon, was warmly greeted at the insurance commissioners convention at Portland. He is now an attorney specializing in medical credits and insurance. He was a most popular commissioner and was in office when the meeting was last held at Portland in the early 1930s.

**James S. Kemper** of Chicago, president of Lumbermen's Mutual Casualty and head of other Kemper companies, has been elected treasurer of the Republican party national committee. He is high up in Republican officialdom, and formerly was chairman of the finance committee.

**Cecil Woods**, president of Volunteer State Life, will lead the drive in Tennessee, and **W. Dudley Gale**, of Gale, Smith & Co., Nashville, the drive in Nashville for a \$3 million endowment fund for the University of the South. Both are alumni of the university.

**Michael E. Bay**, manager of the Newark agency of Guardian Life, is celebrating his 25th anniversary with the company and June 27 the agency force and brokers will tender him a luncheon which several home office officials including President James A. McLain, will attend.

**R. M. Heustis**, assistant general manager of National Life, Toronto, is being felicitated on completion of 40 years' service with the company. He has been in insurance work 46 years, serving with the Great-West Life before joining National.

**Henry Rood** of Lincoln National, has been elected president of the newly-organized Fort Wayne, Ind., chapter of the National Office Management Association.

**C. A. Rockholz**, of Des Moines, general agent for Franklin Life, pilots his own plane to agencies of the company in the state.

**Claris Adams**, president of Ohio State Life and president American Life Convention, took part in a radio table talk in Columbus on the subject, "How Can Inflation be Checked?"

**E. B. Stevenson**, executive vice-president of National Life & Accident, has been reelected to membership on the board of trust of Vanderbilt University.

Mr. Stevenson was chosen by ballot

among the alumni, it being the practice to have two members of the board chosen in this manner. Mr. Stevenson was similarly chosen for his previous term. Prior to that, he served as president of the Vanderbilt Alumni Association.

At the organization meeting of the new board of trust, he was chosen a member of its finance committee.

The former servicemen and women of Business Men's Assurance held a surprise meeting at the home office Friday morning in honor of **J. H. Torrance**, vice-president. The purpose was to pay special tribute to Mr. Torrance for his loyalty and devotion to those who were in uniform. Until most of the B.M.A. service people had been discharged, Mr. Torrance was editor of the "Salute," a monthly publication which included letters from those in service.

In the presence of 35 former service people and the senior officers an inscribed pen set was presented to Mr. Torrance.

**Al Bluhm**, one of the leading producers of the R. S. Edwards general agency of Aetna Life in Chicago, has become ill and is going to St. Luke's hospital there to remain under observation and treatment for six weeks. It is likely that he will be out of active life insurance work for a number of months, but after rest and recuperation will return to the Edwards agency. He is a former golf professional.

**Al Anderson**, Great American Life general agent at Wichita, addressed the senior class of Wichita high school east on "The Advantages of Buying Life Insurance While Young."

**W. W. McCain**, general agent for Security Life & Accident at Sacramento, is in the University of California hospital at San Francisco where he underwent a major operation June 14.

**Mrs. Albert Pingree**, whose husband is deputy commissioner of Vermont, did not, as was reported last week, suffer a broken leg when her chair collapsed during a dinner at the N. A. I. C. convention at Portland. She did suffer a back injury.

**Lewis M. Robotham**, secretary of the life department of Travelers, has completed 40 years' service with the company. He has been secretary since 1930.

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### BRANCH OFFICES IN KEY CITIES

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**BOSTON 16, MASS.**—80 Boylston St.—Room 1227, Tel. Hubbard 8696. William A. Scanlon, Vice-President.  
**CHICAGO 4, ILL.**—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, Associate Manager. L. N. Yellowless, Advertising Manager.  
**CINCINNATI 2, OHIO**—420 E. Fourth St.

Tel. Parkway 2140. Abner Thorp, Jr., Vice-President. George C. Roeding, Associate Manager; George E. Wohlgenuth, News Editor.  
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**DES MOINES 12, IOWA**—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.  
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Resident Manager.  
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**NEW YORK 7, N. Y.**—99 John St., Room 1103, Tel. Beekman 3-3958. Editorial Dept.—R. B. Mitchell, Eastern Editor; Kenneth O. Force,

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**SAN FRANCISCO 4, CAL.**—507-S-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Pacific Coast Manager. Guy C. Macdonald, Pacific Coast Editor.





## DEATHS

## Dr. Albright, Fabled Insurance Salesman, Dies at 79

Dr. Charles E. Albright, who achieved the distinction during his 40 year career as a life insurance man of being the world's leading salesman, died at his home in Milwaukee early last Friday at the age of 79. He had been in failing health for some time and death was due to arterio sclerosis. He had been associated with Northwestern Mutual since 1891, first as assistant medical



Dr. C. E. Albright

director and since 1905 as a special agent.

Dr. Albright was born at Dancyville, Tenn. He was graduated from Rush Medical College, Chicago, in 1889, and served as interne at Presbyterian Hospital, Chicago, until 1891, when he became assistant medical director for Northwestern Mutual. He developed an interest in the psychology of salesmanship, particularly in life insurance work. He resigned and for 18 months traveled in Europe, returning in 1905 to become a special agent for Northwestern Mutual.

During the first five months he wrote \$305,000 of business, and since 1907 when he wrote \$1 million he won the company's special AA prize for volume for 30 consecutive years. During that time his annual production for Northwestern exceeded a million, reaching its high for the 1928-29 agent's year with \$3,940,000. In 1936 he announced he was withdrawing from further competition for the AA prize, but remained in the business and continued to rank among the leading producers. In 1908-09 he was president of the Northwestern Mutual Association of Agents. For years he was a qualifying and life member of the Million Dollar Round Table.

During the period he was associated with the Northwestern Mutual Dr. Albright's gross production amounted to \$82,048,728. He also placed a large amount of excess business with other companies. While this total was never revealed, it has been estimated to amount to probably twice as much, since he wrote mostly large cases, many men for \$1 million or over, and far in excess of the limit per life of any company.

Along with his insurance work, Dr. Albright took an active part as a director on the board of some 16 large corporations and several educational institutions. When his health became impaired he eased up on those activities, and only the day before he died he announced his resignation as a director of the big Allis-Chalmers Mfg. Co. He was also financially interested in other companies and was said at one time to have been the largest stockholder in the Chrysler Corp. He made personal friends of financial and industrial leaders, and sold large policies in New York, Philadelphia, Detroit, Cleveland, Baltimore, Chicago and other business centers. He was a member of all the important social clubs in Milwaukee and several clubs in Chicago and New York. Dr. Albright was a 32nd degree Mason and a member of the Shrine.

Funeral services were held Monday afternoon at Immanuel Presbyterian church, with burial in Forest Home cemetery. Among the active and some 70 honorary pallbearers were Northwestern Mutual executives and men prominent in business and industry in Milwaukee and elsewhere.

When Dr. Albright attended Rush Medical College, he fully intended to go with Northwestern Mutual as as-

sistant medical director. He married into the famous Uhlein brewing family of Milwaukee and that brought him in contact with men identified with large corporations. This was a very prosperous brewing concern. He later became also an official of the Schlitz Brewing Co.

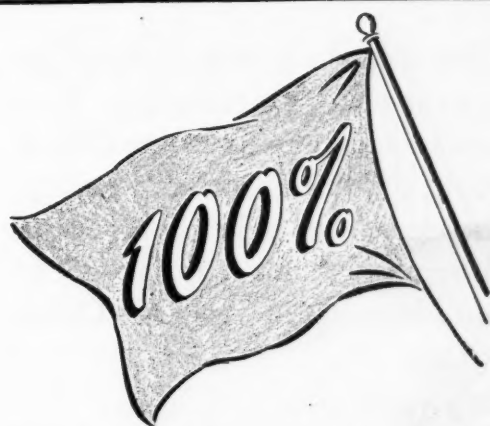
He then became an expert in getting in contact with men of wealth and high position. He would do it in a very subtle way often. For instance, he would go to the president of a large concern and would state that he was connected with Northwestern Mutual. A president would say that he needed no more insurance and Dr. Albright would tell him that he did not come to sell him insurance, but to make his acquaintance because he wanted to get acquainted with men of prominence in the city. His line of talk was somewhat mysterious but it would lead an official to realize that Dr. Albright had some very strong influence. Later the president would decide to take life insurance. He used this subtle approach rather frequently. He would not make a direct solicitation if he found it would not work. He would use an indirect approach. He recognized the value of these important contacts. He used every means of getting in touch with prominent men. Once he gained their confidence and respect, they helped him. He got on the boards of several companies.

One of Dr. Albright's predominant characteristics was his tremendous industry and determination. He had great ambitions to be the leader in his company and he bent every twig to that end. He cared little for money itself,

but he did care for leadership in Northwestern Mutual. Once he gained that leadership, he determined to maintain it. He was ambitious to the last degree in this respect.

One of Dr. Albright's characteristics was his very keen knowledge of when to close a man. He was known as a "waiter." That is, he would not allow the climax to come until he felt that the man was ready because he never wanted a negative answer. As he grew in personal fortune, that brought him in contact naturally with men of wealth and position. Seemingly, his zeal for work was insatiable. He would go on long journeys and much inconvenience to himself in order to see somebody. Somehow or other he had the ability to leave the impression with people with whom he talked that he was a man of far reaching influence. He might not say very much, but the impression he left was strong. Therefore, people concluded that they should "court" him. It was often what he left unsaid that was important.

J. G. Talbert, 43, district manager for Metropolitan Life at St. Joseph, Mo., was killed and B. L. Ehrmann, district manager for the company at Pittsburg, Kan., was critically injured in a collision with another car in Kansas City. They had gone there to attend a meeting of district managers and assistants, and were driving the car of A. B. Brannum, assistant district manager at Pittsburg, returning from a golf game at Swope Park. Mr. Talbert had been with Metropolitan about 18 years. Before going to St. Joseph in 1945 he was district manager at Oklahoma City.



## Persistency Leaders for 1945

RALPH M. HORTON, C. L. U.	Albany, N. Y.
ALEX M. KNAPP, C. L. U.	Baltimore, Md.
J. FRANK HOLMES	Indianapolis, Ind.
RAYMOND H. LARMEE	Stearns, Ky.
ALBERT G. RUBEN	Los Angeles, Cal.
HOWARD L. BARRETT	Claremont, N. H.
ROBERT H. BECKLEY	Manchester, N. H.
IRVING D. PEISNER	Passaic, N. J.
LAURENCE R. FEETHAM	Seattle, Wash.
JOHN R. SCHWARZ	St. Louis, Mo.

These men have been full-time agents of the Company for at least five years, were among the top 200 on the Company's annual honor roll, and had 100% persistency on all their outstanding business throughout 1945.



The Mutual Benefit Life Insurance Company

Newark, New Jersey

Mr. Robotham joined the company in 1906 as assistant to the home office supervisor and a year later entered the life department. In 1908 he became head of the life premium division, in 1914 chief clerk of the life underwriting department and two years later was promoted to assistant secretary.

C. Petrus Peterson, general counsel of Bankers Life of Nebraska, has received the honorary degree of doctor of laws from Augustana College of Rock Island, Ill., at its commencement exercises recently. He was graduated from the college in 1906 with the A.B. degree.

The insurance commissioners quartet was organized at Portland and so much talent was uncovered that it became necessary to draw straws to determine which singers should constitute the first team and which should be the alternates. The most beautiful singer, everyone agreed, is Thomas O. Carlson, actuary of National Bureau of Casualty & Surety Underwriters, who is what is known in musical circles as a basso profundo. Others that qualified are Commissioners McKenzie of Arkansas and Hodges of North Carolina; J. R. Berry, general counsel of the National Board; Superintendent La France of Quebec; A. N. Guertin, actuary American Life Convention; Carl Tiffany, Illinois actuary; Ralph Jones and John A. Henry, Continental Casualty-Continental Assurance. Insurance Director Parkinson of Illinois was selected as the piano player.

Henry Duggan of Newburyport, chairman of the insurance committee of the Massachusetts house, made many friends at the Portland convention of the insurance commissioners. He is a potent factor in his state and is credited with having played a large part in blocking repeal in his state of the Guertin life insurance policy reserve and non-forfeiture valuation law. His California counterpart was also at the N. A. I. C. meeting—Frank J. Waters, who is chairman of the insurance committee of the California house.

E. W. Amos, Loyal Protective San Francisco general agent, is hospitalized with what is understood to be a heart condition. Serving throughout the war with the War Shipping Administration, he formerly was manager A. & H. department, California-Western States at the Sacramento head office.

Mrs. Minnie P. G. Martin, 73, wife of Rush E. Martin, vice-president and secretary of Wisconsin National Life, Oshkosh, died at a hospital there after an extended illness.

J. D. Morse, president Home State of Oklahoma City, entertained the Oklahoma General Agents & Managers Club at his country home on Lake Alumna. Thirty-five members enjoyed swimming, boating and a barbecue supper.

The 10 top producers of his company in a recent contest will be his guests on a fishing expedition to the eastern coast of Mexico. A similar event will be staged in the fall when the high score producers will be rewarded with a pheasant hunt in South Dakota.

### Newark Is Prudential May Leader

During May the Newark ordinary agency of Prudential led all company ordinary agencies writing 604 applications for \$3,509,443 exclusive of group. May was Chace Month in honor of Vice-president George H. Chace, in charge of ordinary agencies.

Over 80% of this production was obtained from Prudential agents. Charles W. Campbell is manager.

### Joins Prudential Columbus Agency

Frank L. Daugherty has been appointed assistant manager of the Prudential agency at Columbus, O. He had been with the weekly premium department for 13 years before his transfer to the ordinary side of the business.

To have a high standard and work to keep it up is an incentive to keep on trying.

## LIFE AGENCY CHANGES

### Wright to Syracuse for Penn Mutual

Returning after more than two years of service, Lt. Frederick Wright has been appointed general agent in central New York for Penn Mutual Life. He will be in charge of the newly-created central New York agency, with offices in the Chimes building, Syracuse.

### Nelson Leaving Business; Smaha Takes Over Unit

W. J. Nelson, Jr., a unit supervisor of the R. S. Edwards agency of Aetna Life in Chicago, is resigning to join his father in the Ceraseal Chemical Co. of

Chicago as assistant sales manager. The concern manufactures waterproofing materials.

Clark F. Smaha, field supervisor of the group department in the Edwards office, with jurisdiction over midwest territory, is resigning that post to join Mr. Edwards and take over the old Nelson unit.

Mr. Smaha has been stationed at Chicago by Aetna Life for over eight years. Previously he was in the Los Angeles office, and before that in the Kansas City group office. He has been with Aetna Life for 18 years. He is a graduate of University of Nebraska, where he was a noted athlete, playing baseball and being captain of the basketball team.

W. J. Nelson has been most successful as an agent and unit supervisor with Mr. Edwards for six years. For a time

he was head of the estate control department. Previously for a time he was with Equitable Society in Chicago. He has been a large personal producer, among the Aetna's leaders; 16th for the first five months this year and eighth in May for new ordinary paid volume, besides a large volume of group insurance.

### Connolly Manages Agency of Sioux City

D. J. Connolly, for 28 years associated with Northwestern National Life at Sioux City, has been appointed manager of the newly-established Connolly agency in the Badgerow building there. The agency will cover Cherokee, Buena Vista, Crawford and Carroll counties east and southeast of Sioux City in an area in which Northwestern National has been active for many years and where a substantial amount of insurance is in force.

### Sallee Oregon Manager and Scoville His Assistant

H. L. Sallee has returned to the Oregon agency of California-Western States Life as manager. He has had many years' life insurance experience, both as producer and agency manager. He was unit manager for the company in 1940 in the Portland agency when he left to become manager of Acacia Mutual at Portland. Then he went into the service.

George E. Scoville becomes unit manager of the Oregon agency. He has been in life insurance for 17 years and connected with the Oregon Agency of the company as a producer since 1943. He will assist Manager Sallee in recruiting and training new men.

### Danford Baker Is Back in Business with Murrells

LOS ANGELES—Danford M. Baker, well known life underwriter, has reentered the business as an associate in the Murrell Bros., general agency of Mutual Benefit here. He is the son of the late Danforth M. Baker, vice-president of Pacific Mutual Life, and entered the business in 1919 with Pacific Mutual at Los Angeles. He was with that company until 1935, and was the leading producer practically every year, in some years paying for better than \$3,000,000 of new business.

In 1942 he was commissioned a lieutenant commander in the navy and spent about three years in the southwest Pacific. He became commanding officer of LST Squadron 20, with the rank of commander. Commander Baker participated in 12 D day landings, receiving the legion of merit and silver star awards. Just prior to the end of the war he was transferred to Admiral Barby's staff.

### Ritchie, Richman Figure in Metropolitan Shifts

Malhon H. Ritchie, Metropolitan manager Ashtabula, Ohio, has been placed in charge of the Forest City district, Cleveland. He succeeds Samuel W. Richman, who has been transferred to the Harvard office in Cleveland.

A native of Copley, Ohio, Mr. Ritchie, prior to joining Metropolitan, was an office manager and bookkeeper. He joined the company in 1923 at Akron. Less than a year later he was made assistant manager and subsequently managed East Liverpool and the Firestone district, Akron.

Samuel W. Richman, Metropolitan manager of the Forest City district, has been placed in charge of the Harvard district, also in Cleveland. He succeeds Leopold J. Armbrust who is on disability.

Prior to joining Metropolitan, Mr. Richman was manager of a retail store and in the auto business. He joined Metropolitan in 1922 as an agent in the Cuyahoga district, Cleveland. In 1926—

he was made assistant, became manager at Warren, O., in 1929. He subsequently became manager at Canton.

### Conn. Mutual Names Reid at Erie, Pa.

Connecticut Mutual Life has appointed James J. Reid general agent at Erie, Pa., succeeding

Walter L. Blossom, who is retiring and who has been general agent in Pennsylvania for 30 years.

Mr. Reid joined the Erie agency in 1941 and recently became agency supervisor. Prior to that he had wide experience in sales management.

K. Dorothy Dillon has been named assistant general agent. She has been with Connecticut Mutual in Erie for over 22 years. She is a member of the Erie Life Underwriters Association and the National Association of Insurance Women, and is secretary-treasurer of the Erie chapter of the National Office Management Association.



J. J. Reid

### Washer Baltimore Life Manager at Allentown

Baltimore Life has named Linn A. Washer manager at Allentown, Pa. Mr. Washer joined the company in Newark in 1940. He was a staff superintendent in that district from 1941 to 1944, at which time he was made a home office supervisor.

Mr. Washer succeeds A. D. Potteiger as manager at Allentown. Mr. Potteiger has been manager for the Baltimore Life in that district since 1929 and has been moved to the less active position of manager emeritus.

Raymond G. Bollinger, agent at Huntingdon, Pa., is now staff superintendent at Lewistown, Pa.; C. E. Layhew, agent at Uniontown, Pa., has been made a staff superintendent there.

### Metropolitan Shifts Three in Ohio District Offices

Metropolitan has appointed Herman R. Casdorph manager of the East Liverpool, O., district office, succeeding Karl E. Schlundt, who has been placed in charge of the district office at Ashtabula, O. M. H. Ritchie, Ashtabula manager, goes to Cleveland.

Mr. Casdorph was formerly a field training instructor for the company. He joined Metropolitan in 1930 as an agent in Charleston, W. Va., was promoted to assistant district manager there in 1935 and in 1940 took over as a field training instructor working out of the home office.

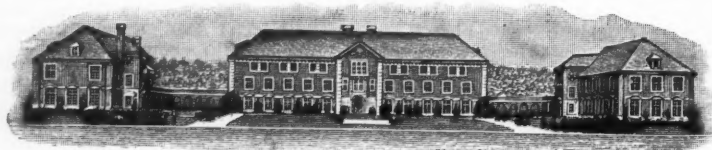
Mr. Schlundt joined Metropolitan in 1925 in Ohio, became manager in Cleveland in 1930, subsequently taking over as agency supervisor in the central territory.

### Young Named Toledo Manager

Connecticut General has named William A. Young manager at Toledo, O. Joining the company in 1939, Mr. Young rapidly became a leading producer and in 1942 was appointed manager at Kansas City. Since his discharge from naval service in 1944 he has been assisting in recruiting and training new agents. He is a native of Kansas City and a graduate of University of Kansas.

### Six Unity Mutual Promotions

Unity Mutual Life & Accident has appointed Hobart M. Ballew manager of the San Jose, Cal. district. E. W. Von Heydenreich has been named home office inspector. Douglas D. Dodds, Oakland,



## SERVICE

The Pilot is proud of the close personal relationship that exists between its Home Office, field organizations, and policyholders. No policyholder ever becomes "just a number" to any member of the Home Office group.



**PILOT LIFE**  
**INSURANCE COMPANY**  
GREENSBORO, NORTH CAROLINA

O. F. Stafford, President



### Write Agency Department or Phone, Spruce 1861

During 1946, Our 40th Anniversary Year and hear of our new and greater facilities which enable us to give life underwriters and brokers a very speedy and complete service.

This is a selling organization, with every department keenly alert to speed into your hands any business you submit on which a policy can be issued, including substandard risks.

## Philadelphia Life Insurance Company

111 NORTH BROAD STREET, PHILADELPHIA 7, PA.

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has been selected home office inspector for the northern division. Ernest M. Hill, Oakland, has been promoted to assistant manager, San Francisco district. D. Cantu, Los Angeles, has been chosen assistant manager, Los Angeles district number two, and Brad W. Rang, Oakland, is newly appointed assistant manager, Oakland district.

### Lindop Heads New N. Y. C. Office for Monarch Life

Monarch Life has opened a New York city office with Ralph K. Lindop as general agent. For the past 14 years, Mr. Lindop has been doing claim and sales work in the East. He is a graduate of University of Chicago and a law graduate of the University of Florida, where he was a history instructor at one time.

Monarch Life has appointed John L. Gaine general agent in Houston. He was a superintendent of schools in Mississippi, in 1932 became business manager for University of Mississippi and entered insurance in 1936 at Pittsburgh. He later became district manager in northern Mississippi, then went with another company in the pension trust department at Houston. He has resigned that post to assume his duties with Monarch.

### Huntington District Manager

William H. Masterson, Newark manager of Equitable Society, has appointed W. R. Huntington, Jr., district manager. He has been educational director at the home office.

### Stoakes With Loyal Protective

F. K. Stoakes has been appointed general agent for Loyal Protective Life, Los Angeles. He was wartime supervisor in a large aircraft plant in California. Before 1941 he was agency supervisor for another company in that territory.

### Clark Elevated By Equitable

Scott Clark, Jr., has been selected district manager at Hutchinson, Kan., for Equitable Society.

### Sanford Wichita District Agent

Fred Sanford has been named district agent of National of Vermont at Wichita.

### Wallace Named at Wichita

G. K. Wallace has been named general agent of Union Central at Wichita and will have as associate Wilbur Loveland, who resigned as Wichita general agent Continental Assurance. Offices will be in the Kauffman Building.

### Cook New Victory Agency Chief

Charles Cook, formerly with the National L. & A., has been appointed Wichita agency director of Victory Life under District Manager W. D. Hawley.

### Bundrock Assistant Manager

R. John Bundrock, field assistant of Travelers life department at Newark, has been promoted to assistant manager there. He succeeds Fred L. Dendy, assistant manager, who has been appointed to the same position in Dallas.

### Baker Advanced For Union Central

The C. B. Knight agency of Union Central Life in New York has appointed George W. Baker branch manager at Brooklyn.

Mr. Baker joined the New York office in 1943 and has qualified each year for the company's Quarter Million Dollar Club. He became supervisor last year.

"Dig anywhere in the earth and you will find a treasure, but you must dig with the faith of a peasant."—Sand and Foam.

## COMPANIES

### Much Interest in Control of Crown Life, Toronto

TORONTO—There are many rumors in Toronto as to who and who hasn't acquired control of Crown Life. One is that a Toronto stock broker, C. F. W. Burns, along with business associates, has secured control of stock from the Somers estate. Credence is given this since Mr. Burns has just been elected a director of Crown Life.

Several weeks ago it was announced that C. W. Somers had retired as president and G. T. Somers as vice-president. They had been in office but a short time following the death of G. Howard Ferguson, who had been president for some time.

Now the presidency rests with H. D. Burns, who formerly was chairman and also is president of the Bank of Nova Scotia. He is the father of the Toronto stock broker who has just been elected a director.

### Home Agents Set New Record

Home Life field men have for the second time this year surpassed all previous records by paying for the largest volume of new business in any single month since the company was organized in 1860. The May volume was 8.8% above that of March, previously the best month. March, April and May each were larger than in previous years although April was slightly below the March volume level. May showed a gain of 64% over the same month a year ago which previously was the best May for such production.

For the fourth consecutive year, A. Jack Newsham, Massachusetts Mutual, Milwaukee, has qualified for the Million Dollar Round Table of N. A. L. U.

TORONTO—Sun Life of Canada has declared a dividend of \$3.75 per share on its capital stock, payable July 1 to shareholders of record June 15.

### Rep. Ploeser Compiles Federal Benefit Data

WASHINGTON—Rep. Ploeser, Missouri, of the Ploeser-Watts agency, St. Louis, has compiled for the Republican national committee's newspaper the following data on retirement, disability and survivors benefits being paid by government this year:

	Number Millions of recipients	Monthly paid
<b>Retirement and disability</b>		
Social security .....	724,900	\$16.3
Railroad retirement ..	174,200	12.0
Civil service retire- ment .....	93,700	7.5
Veterans benefits .....	1,620,700	83.2
<b>Survivors benefits</b>		
Social security .....	613,800	9.9
Railroad retirement ..	4,400	15
Veterans administra- tion .....	725,000	28.2
Servicemen's readjust- ment .....	1,586,700	35.6
Railroad unemploy- ment .....	21,900	1.4

### Pederson Mont. President

The North Montana Life Underwriters Association at its meeting at Great Falls elected James C. Pederson, North American Life & Casualty, Great Falls, president. Vice-president is R. L. Gordon, Northwestern National, Havre; secretary, A. M. Engle, Mutual Life, Great Falls. Plans were inaugurated for a C. L. U. class.

### North Carolina Life Figures

Commissioner Hodges of North Carolina reports that new life business in that state last year totaled \$536,445,730 and the total in force is \$2,425,677,923.

New ordinary totaled \$201,442,353; new group was \$117,116,212, and new industrial \$217,977,169. Ordinary in force now totals \$1,447,923,967; group in force is \$290,662,424, and industrial in force \$687,091,530.

## COMPANY MEN

### Ely Group Actuary for General American

Ray Ely has resigned as Country Life actuary to become group actuary of General American.

A graduate of South Dakota State College, he holds a master's degree in mathematics from the University of Nebraska. Following two years as a teacher of mathematics in the University of Wisconsin, he entered life insurance with the Central Life of Des Moines, resigning his position as manager of its actuarial department, to go with Country Life.

Recently released after four years in the army where he attained the rank of lieutenant-colonel, Mr. Ely served in the Philippines.

### Morrow Elected Standard Director

Harry F. Morrow was elected a director of Standard of Oregon recently. Mr. Morrow is president and general man-

ager of Pacific Metal Co. and is a member of the American Steel Wire Association and the Portland Chamber of Commerce.

### Adam, Carr Designated Trustees of Penn Mutual

Malcolm Adam, Penn Mutual vice-president and Harry C. Carr of Philadelphia have been named trustees of Penn Mutual.

Mr. Adam has been with the company since 1911 and in 1922 became assistant supervisor of applications and death claims and registrar. He was promoted to associate supervisor and supervisor, and in 1930 was appointed assistant vice-president in charge of underwriting. In 1937 he was elected vice-president.

Educated at the University of Pennsylvania and Temple University law school, for a number of years he served on the Temple faculty as professor of insurance law. He is a founder and former president of the Home Office Life Underwriters Association.

Mr. Carr is president of the First National Bank of Philadelphia and a di-



## A Career of Service

A career based on lasting service builds satisfaction. The Shenandoah Life Insurance Company offers progressive service opportunities. Contracts are fair. First year and vested renewal commissions are liberal. Group life insurance is provided at company expense. A well rounded line of policies and friendly relations between the field force and the Home Office enhance service opportunities.

Openings in Virginia, West Virginia, North Carolina, South Carolina, Tennessee and Alabama.

**STRONG-PROGRESSIVE**  
**Shenandoah**  
**Life INSURANCE CO., INC.**  
ROANOKE 10, VIRGINIA  
PAUL C. BUFORD, President

## WANTED!

### STATE AND ASSISTANT STATE MANAGERS

A large and well-established Life Insurance Company, operating throughout the United States, has openings for men with managerial experience who can earn between \$5000 and \$10,000 per year. Excellent opportunities in the following states:

INDIANA  
PENNSYLVANIA

ARKANSAS  
MISSISSIPPI

LOUISIANA  
GEORGIA

Send photo and give age and experience in first letter—all inquiries will be considered confidential.

Write Box E-54, THE NATIONAL UNDERWRITER, 175 West Jackson Blvd., Chicago, Illinois.

rector of Fire Association, Lumbermen's, Reliance and Philadelphia National as well as several other corporations.

### Several Staff Promotions Made in American Mutual

Directors of American Mutual Life following the annual policyholders' meeting in Des Moines reelected Dr. E. B. Mountain president and medical director, and continued other officers.

G. L. Bowman, assistant secretary,

was appointed assistant actuary; A. C. Latta and F. E. Wilkinson, division heads, were promoted to assistant secretaries, and Henry F. Grant, legal department, was appointed assistant general counsel. K. C. Klein, agency secretary, and E. R. Monson, underwriter, were appointed junior officers.

President Mountain announced that at the end of May insurance in force reached \$103,000,000, gain \$3,365,000 since Jan. 1; new paid for business for the first five months gained 57% over the same period of 1945; net return on invested assets in 1945 was 3.36%.



The Home Office Building  
"On The Banks Of The Mississippi"

## FIDELITY LIFE ASSOCIATION FULTON, ILLINOIS

Celebrating 50 Years of Fraternity and  
Distinguished Life Insurance Service



# THE MANUFACTURERS LIFE

### COMPLETE BROKERAGE FACILITIES

All Life, Endowment and Annuity Plans.  
Favorable Par. and Non-par. rates.  
Standard and Sub-standard risks.  
Facilities for handling large cases.  
Civilian Foreign Travel Coverage.  
Annuities — Single Premiums up to \$100,000.  
Prompt and Efficient Service.

INSURANCE IN FORCE, 853 MILLION DOLLARS  
(Including Deferred Annuities)  
ASSETS, 295 MILLION DOLLARS

### Salt Lake Managers Name Syphus as President

SALT LAKE CITY—H. J. Syphus, general agent of Beneficial Life, was elected president of the Utah Life Managers Association, succeeding Jack W. Lawrence, manager of Prudential. Ernest Halverson, Kansas City Life, was elected vice-president, and O. P. Kernodle, Penn Mutual, secretary-treasurer.

The executive committee includes Mr. Lawrence, chairman; C. E. Bechtel, Mutual Life; G. J. Cannon, Beneficial; A. E. Buckwell, Travelers; R. H. Peterson, Pacific National; Hazen Exeter, Pacific Mutual. The public relations chairman is W. M. Jones.

The meeting was held at the Salt Lake Country Club, and in the afternoon a golf tournament between the "Cowboys" and "Indians" was held.

### Indianapolis Cashiers Meet

Ivan V. Snyder, home office field supervisor Indianapolis Life, addressed the Life Agency Cashiers Association of Indianapolis at a dinner meeting. W. F. McNairy of State Life presided.

### Pickel St. Louis President

ST. LOUIS—E. A. Pickel of Phoenix Mutual Life has been elected president of the Cashiers Club of St. Louis. Other officers are: Vice-president, W. V. Thesing, Prudential; secretary-treasurer, J. B. Babb, Equitable.

### Zimmer Heads Columbus Club

Robert K. Zimmer, general agent for Penn Mutual, has been elected president of the Columbus Life Managers & General Agents Association. Others elected were Fred M. Exline, manager Connecticut General, vice-president; L. W. McDougass, general agent Mutual Benefit, secretary-treasurer; and Fred W. Merselis, manager Sun Life of Canada, and H. J. Prouty, manager Travelers, directors.

### Wichita Cashiers' Annual

The Wichita Life Cashiers Club elected officers. Mrs. Fern Stalker, Farmers & Bankers, is retiring president.

### Indianapolis Election June 28

The annual meeting of the General Agents & Managers Association of Indianapolis will be held June 24. Wendell Barrett, Provident Mutual, is retiring president.

## AGENCY MANAGEMENT

### Eastern Managers Set Round Table Program for Next Year

NEW YORK — Eastern general agents and managers will hold another round table conference May 12-14, 1947, at the Homestead, Hot Springs, Va. Those who will attend have been asked to make reservations by July 1, 1946. There will be six business sessions and 24 members have each been assigned a timely topic for discussion. Members have been supplied charts on which to fill in information about new agents appointed since January, 1944, and still under contract, and also about agents cancelled since January, 1944. Space is given to fill out various facts about each agent, including, in the case of terminations, the principal reason for the failure. Participants are also asked to give information about two older producers who have substantially increased their production in the last few years and the main factors in this increase.

### Butterworth Atlanta President

ATLANTA—Linwood Butterworth, general agent in Atlanta for the New England Mutual, was elected president of the Atlanta Life Manager's Club, succeeding Charles J. Currie, Atlanta manager Mutual Life. Hurd J. McCrain, general agent Penn Mutual, was named vice-president, and Harry Indell, manager Metropolitan, secretary-treasurer.

### Bannon Ft. Worth President

New officers of the Fort Worth Life Managers & General Agents Club are John J. Bannon, Jr., Reliable Life, president; R. L. Christenberry, National Life & Accident, vice-president; James D. Edgecomb, John Hancock, secretary-treasurer. Harry Sloan, California-Western States, is a new member of the executive committee along with Arthur L. Weir, Franklin Life, retiring president.

Principal speaker at the June meeting was Boyce House, author and candidate for lieutenant governor of Texas.

### Davis Heads Frisco Managers

Nelson F. Davis, manager San Francisco agency Guardian and Pacific Coast supervisor was elected president San Francisco General Agents & Managers Association at the annual play-day at Peninsular Country Club. G. W. Hay, manager Mutual Life, was elected secretary.

### L.A. Managers Play June 26

June 26 has been selected for the annual Play Day of the Life Insurance Managers Association of Los Angeles, at L.A. Country Club. Golf, tennis and bridge competition and a banquet and cocktail party will furnish recreation. The Play Day committee consists of W. M. Hammond, Aetna general agent and G. A. Sattlem, Los Angeles manager Mutual Life.

### Smith Goes to Home Office

L. E. Smith of Omaha, Neb., grand secretary of the Nebraska York Rite of Masons for 33 years, has resigned and assumed his post as president of Royal Highlanders Mutual Life at the home office in Lincoln. He was elected to the position several months ago.

### Mutual Benefit Club Elects

NEWARK—Officers of the Pelican Club in the home office of Mutual Benefit Life have been elected: President, Ernest Hanks; vice-president, Viola Groner; secretary, Doris Weatherburn; treasurer, Don Hayes. John H. Trevenen, has been made chairman of the conference committee.

J. E. Bailey, Richmond, Va., Hooper-Holmes Bureau, was installed as president of Civitan International, at the organization's convention at Denver.



## SALES MEETS

### Equitable of Iowa Quebec Convention July 1-4 Is to Be Largest in History

DES MOINES—The production clubs convention of Equitable Life of Iowa will be held in the Chateau Frontenac, Que., July 1-4. This is the first convention to be held by Equitable since 1941.

Joint sessions of the Agency and President's Clubs, which are the junior and senior clubs for agents, and of the Organization Club, which is composed only of general agents, will be conducted July 1-2, following which the Agency Club will be adjourned. Members of the President's and Organization Clubs, and their guests, will remain in session July 3-4. Ray E. Fuller, agency vice-president, will be in charge.

The theme is "Life Insurance in the Postwar World." Among the chief addresses will be those by F. W. Hubbell, president, Mr. Fuller, and a number of agents and general agents and home office men.

This will be by far the largest convention in history, and will culminate a six-month period of record-breaking production gains.

President of the President's Club is H. R. Ward, Detroit; of the Agency Club, A. Freeman Mason, Philadelphia; Organization Club, H. A. Hedges, Kansas City.

### Central of Ia. to Hold Canadian Convention

DES MOINES—Central Life of Iowa will hold its first general convention since the outbreak of war at Minnaka Lodge, Lake of the Woods, Ontario, Can., June 26-30. It will be built around the theme "Our Golden Opportunity," and some 165 are expected to attend.

Those who will be present from the home office will include: E. H. Mulock, president; Dr. Martin I. Olsen and W. F. Poorman, vice-presidents; H. E. Whiteley, superintendent of agents; Norman T. Fuhlrodt, associate actuary; R. C. Campbell, assistant secretary; and H. W. Birdsall, manager policy department.

### Security of Neb. Conducts School for New Agents

Twenty-five new field men from seven states attended a week's training school conducted by Security Mutual Life of Nebraska at the home office in Lincoln. They came from Colorado, South Dakota, Minnesota, Missouri, Kansas, Oklahoma and Nebraska.

Those in charge of the school were Darrel Hinkle, assistant secretary; H. M. Doty, field supervisor, and E. A. Frerichs, agency vice-president.

Insurance Director Matzke was a speaker at a luncheon and at a dinner

### HOME OFFICE EXECUTIVE

**A Top Executive Position open for the right man. Salary commensurate with responsibilities. Sound, Substantial Future. Old Company with home office in the East, writing Ordinary and Industrial. Experience in management, underwriting, and executive work required. State age, educational and business background. Address G-43, c/o THE NATIONAL UNDERWRITER, 175 West Jackson Boulevard, Chicago 4, Illinois.**

meeting Ellsworth DuTeau discussed "Voice and Speech in Selling." The field men were guests at the annual picnic for home office personnel.

### Franklin Briefs Sales Force

Twenty-five general agents and representatives of Franklin Life of Springfield met at a sales gathering in Des Moines. J. W. Whaley, vice-president, demonstrated sales techniques of the P.P.I.P., the company's feature contract. T. L. Barnes, regional manager, presided.

### Slate Two Reliance Meets in '47

Reliance Life will hold two agency conventions in June, 1947. They will be held at Colorado Springs and Virginia Beach. Dates for the Colorado get-together have not been announced, but the Virginia meeting is scheduled for June 23-25 of next year. Field men and agents whose production meets qualification standards will attend the meetings. Reliance last held a field force convention in 1940.

### American H. & L. Club Meets

American Hospital & Life has been having a meeting of the 3-B Club, its top production club, in Colorado this week. The 20 top salesmen and five top managers, with their wives and families, are in attendance. They were at the Broadmoor, Colorado Springs, June 14-16 and then at Stead's ranch, Estes Park, until Friday of this week.

President S. E. McCreless, and Mrs. McCreless, who is a vice-president of the company, represent the home office.

## C. L. U.

### Metropolitan C.L.U.'s Meet

Nearly 100 representatives of Metropolitan attended the annual luncheon meeting of the company's C.L.U. study groups in Chicago. The purpose of the gathering was to stimulate further interest on the part of the field men in C.L.U. study. The company sponsors C.L.U. classes in Chicago, there being no tuition charge. All examination fees are refunded upon successful completion of the C.L.U. examination by a candidate.

In 1945, seven of the nine new C.L.U.'s in Chicago were Metropolitan men who had attended these classes.

Joe Blumberg, assistant manager Fullman agency, presided as chairman. Speakers included Everett Smith, territorial supervisor; E. S. Hewitt, of Hewitt & Associates, and J. D. Moynahan, past president Chicago Association of Life Underwriters, past president American Society of C.L.U. and manager of Metropolitan.

### Hartford C.L.U. Elects Richards

George J. Richards, general agent of Monarch Life has been elected president of the Hartford C.L.U. chapter. Philip I. Holway, Connecticut General, is vice-president and Royden C. Berger, Connecticut Mutual, secretary.

### Indiana U. to Have C.L.U. Course

Indiana University extension center, South Bend, will offer a C.L.U. course this fall under supervision of D. F. Carmony, director of the center.

### Isphording C. L. U. Head

CINCINNATI—Gerald Isphording, Connecticut Mutual Life, was elected president of the Cincinnati C. L. U. Chapter. He succeeds B. C. Taylor, New England Mutual. R. W. Ingert, Penn Mutual, is vice-president, and Miss Jane Bristow, New York Life, secretary. Thomas McNeil, Provident Mutual, and R. D. Jervis, Travelers, were elected directors.

### Thore Is Washington Speaker

At a dinner meeting of the Washington, D. C., C.L.U. chapter last week at the Mayflower Hotel, Eugene Thore,

general counsel, Acacia Mutual, discussed the implications of recent court decisions in insurance cases, with respect to procedures in life underwriting.

### Buffalo Fights Shady Carriers

Buffalo insurance groups and the Better Business Bureau of that city have cracked down on unlicensed foreign state companies whose shady functions have trimmed local residents of \$300,000 a year. With the situation now at an alarming degree of prevalence, the groups have launched an extensive educational campaign to plug these losses. The organizations behind the movement are the Buffalo Life Underwriters Association, Buffalo Life Managers Association

and Buffalo Accident & Health Underwriters Association.

### Wear Transferred to Toledo

Leon M. Wear, assistant district manager of the Kalamazoo division of Prudential, has been transferred to Toledo in a similar capacity. He is past president Kalamazoo Association of Life Underwriters and is vice-president Michigan association.

### Milliken To Beaver Falls As G. A.

William E. Milliken has been appointed general agent in Beaver Falls, Pa., for Franklin Life with jurisdiction there and in the surrounding areas. Mr. Milliken has represented Metropolitan since 1931.

*"You can't afford to be without a Friden!"*

Even in a small business like mine...

a Friden Fully Automatic Calculator

is a MUST. Accurate answers are

needed when you check invoices, take

discounts, figure freight costs per item,

mark-ups, compute sales taxes, analyze financial

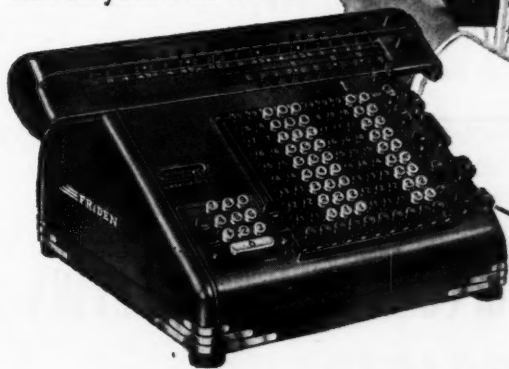
statements and work miscellaneous addition

and subtraction problems. Do as I did, tele-

phone your local Friden

Agency for a demonstra-

tion on your own work."



*Friden Mechanical and Instructional Service is available in approximately 250 Company Controlled Sales Agencies throughout the United States and Canada.*

## FRIDEN CALCULATING MACHINE CO., INC.

HOME OFFICE AND PLANT • SAN LEANDRO, CALIFORNIA, U.S.A. • SALES AND SERVICE THROUGHOUT THE WORLD



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Since 1889

HEAD OFFICE - WATERLOO, ONTARIO

**SPECIAL PLANS FOR SPECIAL NEEDS**

## ACCIDENT AND HEALTH

### Ridgway Sues Ream in Nat. Protective

Robert A. Ridgway and Ross J. Ream, partners in and founders of the National Protective of Kansas City, which had a sensational rise in the mail-order penny-a-day accident business, have had a falling out with the filing of a suit by attor-

neys for Ridgway in Jackson county circuit court there to dissolve the partnership, divide assets and cancel a contract which it is claimed unfairly gave Ream control of the company.

Partnership assets claimed to total \$720,000 and company assets shown in the 1945 statement to be \$1,699,000 are involved in the suit.

National Protective early reached and maintained a leading position in this

country and Canada in the penny-a-day accident field. It was one of the pioneers and for many years had an extensive radio and newspaper advertising campaign. It first entered the accident field and then also life insurance. Ridgway for many years was Kansas City manager for Federal Life and Ream handled claim work for that company there.

#### Made Considerable Profit

Under their arrangement, National Investment Co. was formed to hold the carrier's stock, exceeding \$1 million. They drew substantial salaries for 20 years, in recent years—\$20,000 each, but never declared a dividend. The accumulated profits in the partnership are the \$720,000 claimed. The split-up in their affairs occurred recently when an offer to purchase the company was made of \$1½ million to be divided equally between them, and Ridgway approved, but Ream refused.

Ridgway's suit alleges that Ream took advantage of him while he was suffering from a progressive, incurable illness which affected him physically and mentally since 1942; that Ridgway relied implicitly upon Ream in conduct of the company's affairs and Ream prepared and secured Ridgway's signature to a written agreement amending the partnership so in event of death of either partner the survivor would acquire the deceased's interest for \$360,000, from which would be deducted premiums paid on the deceased's partner's partnership life insurance of \$210,000.

#### Claims Undue Influence

It is alleged in the petition this agreement would permit the survivor to secure the deceased's interest for a payment of only about \$140,000. The petition charged Ream obviously was aware Ridgway's chance to survive Ream was negligible and the contract would have permitted him to purchase over \$360,000 assets in the holding company for only about \$140,000, and that this contract represented fraud and involved undue influence of Ream over the plaintiff.

Traders Gate City National Bank of Kansas City was named co-defendant as it is fiduciary agent for the insurance company and assets of the partnership are in its custody.

A second suit by Ridgway is directed against the management of the insurance company by Ream, naming him and also H. M. Polley, M. M. Walker, C. E. Ream, Carl Mikula and George Ream, directors of the carrier. This petition alleges that the Board April 26 adopted a resolution naming Ross Ream, Walker and George Ream as managers. Ridgway was deposed as president and Ream took his place.

dismemberment will not be issued by itself, surgical and medical benefits will be issued only in conjunction with hospital coverage. Hospital and surgical benefits for dependents of employees are available in conjunction with similar benefits for insured employees. Employer units of less than 25 employees may be covered.

There is a uniform schedule of benefits based on "basic annual earnings" starting with under \$1,500 and running to \$10,000 or over. Employer units are divided into three classes: Less than 25 employees, 25 to 49, and 50 or more.

It is understood each company, when the plan meets regulatory approval, will write its own policies at identical rate schedule and on the uniform benefit scale.

H. D. Leslie, general agent Northwestern National Life, and Claude C. Walker, an associate, have been designated exclusive brokers for writing the coverage.

### Change Contingency Reserve Formula in Hospital Field

The National Association of Insurance Commissioners at Portland adopted the report of the committee on group hospitalization and medical service, headed by Neel of Pennsylvania. The committee in 1944 had indicated that non-profit hospital and medical insurance plans should accumulate not less than 3% of earned subscriber income into a contingency reserve until such reserve equals five times the monthly subscription income or seven times the monthly hospitalization expense, whichever is greater.

At Portland the committee recommended that the reserve be permitted to rise to eight times monthly hospitalization expense due to the problems involved in the rapidly rising cost of service. The committee said that non-profit non-government health insurance should be aggressively supported by every commissioner. This program, he said, is not in competition with commercial insurance. Together they offer the basic coverages which must be provided at a low enough cost so that all the population may obtain it.

The laws and legislation committee headed by Garrison of California, in its report, among other things, approved a model non-profit medical service statute. Harrington of Massachusetts qualified his approval by contending that the provision for rate control in this statute is inadequate. In Massachusetts, he declared, rate regulation of such organizations is needed. Forbes of Michigan also said he would insist upon rate regulation in Michigan and McCormack of Tennessee declared that he favors rate regulation and full taxation in his state.

### Dyer Is Life and Accident Manager of St. Louis Agency

ST. LOUIS—The Insurance Agency Co. has appointed George L. Dyer, Jr., as manager of its newly organized life, accident and health department, repre-

#### EXCELLENT OPPORTUNITY

Large Assurance Company desires man who has had experience in life companies as General Agent or Branch Office Cashier. Permanent location New York City. Training program in Chicago. Excellent opportunity for future advancement. Address G-51, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### EXPERIENCED LIFE AGENT SEEKS CONNECTION AS GENERAL AGENT IN PHILADELPHIA, PA.

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THE COMPANY OF  SUCCESSFUL FIELDMEN

## Greater Success

31% more qualifiers in the Half Million or More class; 70% more qualifiers in the Quarter Million or More class: this is the record of Pacific Mutual Big Tree Leaders Club this year as compared to last.

Striking proof that Pacific Mutual career men can achieve constantly increasing sales success!

#### Here's the three-fold reason:

**First**—A practical training program, embracing each successive step in an organized and complete merchandising process.

**Second**—A complete range of personal coverage to sell.

**Third**—The "New and Unusual Savings Plan"—a complete economic security package for the individual buyer.

**PACIFIC MUTUAL**  
**LIFE INSURANCE COMPANY**

HOME OFFICE: LOS ANGELES, CALIFORNIA

Coverage that's  
Complete

LIFE INSURANCE  
ACCIDENT & HEALTH  
GROUP & WHOLESALE  
ANNUITIES-JUVENILE

The  
New and Unusual  
Savings Plan

## THE SYMBOL of COMPLETE PROTECTION



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- ANNUITIES • HOSPITALIZATION
- GROUP • ALL-WAYS
- REINSURANCE

Centrally Located—  
Serving the Nation  
from Coast to Coast



W. T. GRANT  
Chairman

J. C. HIGDON  
President

**BUSINESS MEN'S ASSURANCE COMPANY**

KANSAS CITY 10, MISSOURI



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senting as general agent Continental As-  
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Mr. Dyer, a veteran of the war, is a  
past president National Association of  
Accident & Health Underwriters, and  
was one of the organizers and first pres-  
ident of the St. Louis Accident & Health  
Underwriters. He has had many years'  
experience in life, accident and health  
insurance.

### Caldwell New Memphis Head

MEMPHIS—E. A. Caldwell, Reli-  
ance Life, has been elected president of  
the Memphis Association of Accident &  
Health Underwriters, to succeed Harry  
Putnam, American Hospital & Life.  
Other officers elected were: William  
Brakehill, Provident Life & Accident,  
vice-president; James Graham, Crump  
Underwriters Co., secretary, and Wayne  
Dupres, Travelers, treasurer. Directors  
elected were Lew Callow, General  
American, and John Wendell, Morrison-  
Wallace Co.

## RECORDS

**Bankers Life, Inc.**—Insurance paid for  
during May exceeded \$11,850,000, of  
which nearly \$11,600,000 was ordinary.  
This is an increase in ordinary paid for  
a year ago of 60%, or more than \$4,340,-  
000. Total ordinary and group written  
the first five months amounted to more  
than \$53,370,000, of which ordinary was  
over \$48,300,000. Insurance in force at  
the end of May stood at \$1,063,985,000,  
an increase of more than \$38,900,000 dur-  
ing the year.

**Union Mutual Life, Me.**—Paid business  
for May was 76.3% greater than that for  
May, 1945. Total volume of new busi-  
ness was greater than of any previous  
month in history. The total of paid  
business at the first five months was  
30.4% greater than the corresponding  
period a year ago.

**Occidental Life**—Reports a new pro-  
duction record in ordinary business with  
applied-for total in May of \$21,363,316,  
topping the best previous record set in  
April by better than \$1 million. To date  
it is \$29,190,747 ahead of its paid ordi-  
nary production in 1945.

**Western Reserve Life**—Gain in new  
business for the first five months has  
been more than for all of 1945 and the  
agency force has been paying for more  
than a million new business per month.  
Insurance in force July 1 will be over  
\$30,000,000.

**Fidelity Mutual**—Five month totals for  
1946 amounted to 173% of the volume of  
the comparable period of 1945 in sub-  
mitted business and 164% in paid. In-  
surance in force is now \$482,518,966, the  
rate of increase of insurance in force  
being 200% of that for the same period  
in 1945.

**Bankers National**—Insurance in force  
at the end of May was \$117,352,000, a  
gain of nearly \$7 million for the year.  
New ordinary in May was 180% over  
May of last year, while that for the first  
five months is double that of 1945. New  
ordinary paid for last month was 75%  
over last year and new ordinary paid  
for the first five months is 70% ahead  
of 1945.

**Franklin Life**—A gain of nearly \$35  
million, not including special credits or  
annuities, or 132%, in new sales was  
recorded in the first five months of 1946  
as compared to the same period last year.  
May production passed the \$13 million  
mark, a 124.5% increase over the same  
month in 1945. Insurance in force now  
exceeds \$386,000,000.

First year cash premium income for  
the five months reflected an improvement  
of 213% over 1945, while total premium  
income for the period exceeded last year  
by 80%. Ledger assets showed a gain of  
109% over the increase recorded during  
the first five months last year, the expan-  
sion totalling \$6,860,000 as compared to  
\$3,279,000 in 1945.

H. B. Parker of Baton Rouge led the  
company with more than one-half mil-  
lion in new sales in May. The Chicago  
agency ranked number one for the  
month.

**Minnesota Mutual Life**—Examined vol-  
ume in May was 90.2% larger than for  
the comparable month in 1945. The sub-  
mitted volume was \$11,147,195. The year-  
to-date gain is 84.8% with examined  
business for the first five months of 1946  
passing the \$53 million mark. Paid is-  
sues for the month were \$9,855,875 or  
84.3% greater than a year ago. For the  
five months the paid total is \$43,490,979,  
a 56.3% increase.

Insurance in force as of May 31 is  
\$376,834,496.

## POLICIES

### Alliance Has New Rates for Immediate Annuities

New rates for immediate life and in-  
stalment refund annuities of Alliance  
Life became effective June 15. Illus-  
trative costs for \$10 monthly income  
and results per \$1,000 single premium  
are:

Age	Life Ann. Prem. for	Mo. Inc. per	Ref. Ann. Prem. for	Mo. Inc. per
Male Fem.	\$10 Mo.	\$1,000	\$10 Mo.	\$1,000
30 35	3,385.05	2.95	3,530.76	2.83
35 40	3,159.71	3.16	3,342.95	2.99
40 45	2,918.29	3.43	3,145.13	3.18
45 50	2,663.00	3.76	2,938.88	3.40
50 55	2,396.98	4.17	2,726.19	3.67
55 60	2,124.47	4.71	2,509.36	3.99
60 65	1,850.78	5.40	2,291.14	4.36
65 70	1,582.04	6.32	2,074.73	4.82
70 75	1,324.82	7.55	1,864.62	5.36
75 80	1,085.44	9.21	1,664.89	6.01
80 85	869.35	11.50	1,479.49	6.76

### Prudential Raises Limits on Juvenile Policies

Prudential has announced an increase  
in the amount of ordinary insurance it  
will consider at ages 5 to 16. The maxi-  
mum ultimate amount that may be writ-  
ten at ages 5 to 9 has been increased  
from \$5,000 to \$10,000, at 10-14 up to  
\$50,000 will be considered in Prudential  
if parent or person supporting the child  
carries at least twice as much insurance  
on his own life as all ordinary insurance  
on the life of the child in all companies.  
At ages 15-16 the limit now is \$50,000,  
increased from \$20,000 and \$40,000, re-  
spectively. There is no change in limits  
at ages under 10 in New York or  
Canada.

### New Industrial Limits

The company's limits for intermediate  
monthly premium and weekly premium  
industrial insurance at ages under 15  
also have been liberalized for business  
written in Canada and all states except  
New York.

## CHICAGO

### HALL PUSHING ANNUITIES

Cameron A. Hall, Chicago manager of  
Jefferson Standard Life, has returned  
from a visit to the head office. He took  
his seat last April, succeeding George  
Allen. Mr. Hall is endeavoring to attach  
to his office full time agents as the  
company does not write brokerage in  
the Chicago area.

Inasmuch as Jefferson Standard earns  
a higher interest rate than almost all  
companies it is giving good returns on  
annuities and retirement income pol-  
icies. Therefore, Mr. Hall is pushing  
that business and finding the present  
market among people who are not in-  
surable. He has been a general broker  
in Chicago. His father, Thomas J. Hall,  
is a broker in the R. W. Hosmer &  
Co. agency, Chicago.

### INTRODUCE GROUP SUPERVISOR

John Laffey, newly appointed group  
supervisor in Chicago for State Mutual  
Life, was introduced to Chicago agents  
and brokers at a luncheon in the Palmer  
House by H. Ladd Plumley, secretary  
of the group department, and his assist-  
ant in charge of claims, David Hamil-  
ton, who were present from the home  
office. Mr. Laffey begins his duties on  
June 24 and will office at 39 S. LaSalle  
street, from which he will supervise the  
company's newly organized group activi-  
ties for the Chicago agencies. Robert  
H. Denny, superintendent of agencies,  
was en route to the luncheon when his  
plane was grounded and arrived in Chi-  
cago several hours later.

### BERG ON SECOND MILLION

S. L. Berg, Aetna Life and affiliated  
companies agent in Chicago, already this  
year has produced enough paid life busi-  
ness in that and other companies to  
qualify for the Million Dollar Round  
Table for 1946. Actually, he has \$600,000  
on his second million. Mr. Berg is a  
regional agent of Aetna Casualty and a  
large producer of multiple lines, so his  
life insurance feat is the more remark-  
able.

He has been in the business 14 years.  
In the first five months this year he has  
his quota for all 1946 and two-thirds of  
his regional requirement for 1947. Mr.  
Berg is a member of the R. S. Edwards  
general agency.

### NOTHHELPER & LECK MOVE

Nothhelfer & Leck, Chicago general  
agents for State Mutual Life, have  
moved from 105 West Adams street to  
suite 1010, 134 South La Salle street.

### Ariz. Insurer Loses Battle

On the authority of the Robertson  
case in which the U. S. Supreme Court  
upheld California's right to exclude com-  
panies or agents that failed to meet its  
standards, the ninth circuit court of ap-  
peals has upheld the federal district  
court's decision that First National Ben-  
efit Association of Arizona had no cause  
of action in its suit for \$1,200,000 against  
Commissioner Garrison of California for  
interfering with its business in that state.  
Robertson, the society's agent, was pro-  
secuted for operating without a license  
and Mr. Garrison issued cease and desist  
orders to stop the society from doing  
business in California.

### Wash. Commissioner Is Host

Commissioner and Mrs. Sullivan of  
Washington and H. O. Fishback, Jr.,  
vice-president, Northern Life enter-  
tained at dinner in Seattle a party re-  
turning from the commissioners meeting  
at Portland which included Superinten-  
dent Dineen of New York, new president  
of N.A.I.C. and Mrs. Dineen; Commis-  
sioners Allyn of Connecticut; Harring-  
ton of Massachusetts and Carey of New  
Jersey and their wives; Deputy Gough  
of New Jersey, Mr. and Mrs. Chase  
Smith and Mr. and Mrs. Ralph H. Kast-  
ner of Chicago. The same party also  
had lunch with the governor at Olympia,  
Wash.

"To be left without insurance is a  
misfortune—to inherit insurance is good  
fortune."

"The family of the man adequately  
insured is never belittled."

The BRIGHT SPOT  
of OPPORTUNITY  
for a high-grade man  
RIGHT NOW is..

EVANSVILLE  
(Ind.)

LEXINGTON  
(Ky.)

CEDAR RAPIDS  
(Iowa)

AMERICAN UNITED LIFE INSURANCE COMPANY

Established 1877



Indianapolis

## NEWS OF LIFE ASSOCIATIONS

### Slate Baketel in Philadelphia

PHILADELPHIA—The Philadelphia Life Underwriters Association has had submitted to it the following slate for election at the annual meeting this week:

President H. Sheridan Baketel, Jr., Union Central; 1st vice-president Lester S. Lamb, Connecticut Mutual; 2nd vice-president Taylor B. Glading, Penn Mutual; treasurer A. Felleman Fish, Prudential.

Directors: Albert C. Adams, John Hancock; Leslie T. Baldwin, New York Life; Dewey Smith, Scranton Life; Charles F. Teller, Great-West Life; D. S. Walker, United Benefit Life.

### Jamison Elected President Oklahoma Association

MUSKOGEE, OKLA.—Homer Jamison, state manager Equitable Society, Oklahoma City, was elected president of the Oklahoma Association of Life Underwriters here at a business meeting attended by 75 delegates. He succeeds James Booth.

Stanley Bryant, New York Life, Lawton, was reelected first vice-president; M. P. Johnson, Fidelity Mutual, Tulsa, second vice-president and Hub Adams, Mutual Life, Muskogee, elected vice-president. Stewart Meyers, Oklahoma City manager Great Southern is the new secretary-treasurer; and Albert Irwin, Northwestern Mutual, Oklahoma City,

was named national committeeman. The Muskogee Association acted as hosts.

For more than 12 years the new president had served the Oklahoma City association as national committeeman, and since its organization in 1941, had acted in a similar capacity for the state association.

### R. E. Shay Is New Minn. President

ST. PAUL—Robert E. Shay, manager at Minneapolis for Bankers Life,

was elected president of the Minnesota Association of Life Underwriters at its annual meeting here, succeeding John P. Lynch of John Hancock, St. Paul. Orris Johnson, Prudential, Mankato, was elected vice-president; L. V. Asbury, Aetna Life, St. Paul, secretary, and Ray Cory, Northwestern Mutual, Austin, treasurer.

Arthur Devine, manager of Prudential, St. Paul, was made national committeeman.

Following the business session and a luncheon, the members gathered on the golf course for an afternoon of play.

In his annual report Retiring President Lynch said the association was in a strong financial condition and had the largest membership on record.



Robert E. Shay

### W. T. Beaty Heads North Carolina Association

DURHAM, N. C.—William T. Beaty, Connecticut Mutual Life, was elected president of the North Carolina Association of Life Underwriters at its annual convention here. He served as first vice-president the past year and succeeds Joe S. Babb of Durham.

A. P. Mulligan, Greensboro, and Hayden Stuart, Goldsboro, are the new vice-presidents; Reuben Johnson, Asheville, treasurer, and Mr. Babb, national committeeman.

Speakers included Bascom Baynes, president Home Security Life, Durham; William H. Andrews, Greensboro, N.A. L.U. past president, W. H. Trentman, executive vice-president of Occidental Life, Raleigh, and S. Wade Marr, Raleigh investment banker.

Mr. Babb reported an increase of 226 members the past year, bringing the total to 1,007. He recommended the employment of an executive secretary. He also stressed the importance of the legislative committee keeping an eye on the legislature.

### Choose Greenfield President of Detroit Association

DETROIT—A. W. Greenfield, Connecticut Mutual, was elected president succeeding J. E. McCann, Metropolitan. Mr. Greenfield has been in the life field 21 years. F. A. Smart, Equitable of Iowa, was chosen vice-president; J. H. Kanter, National of Vermont, second vice-president; B. A. Schauer, Penn Mutual, secretary and G. I. Jensen, Northwestern National, treasurer.

An excursion cruise from Detroit across Lake St. Clair, attracted more than 1,200 members and their families. The annual meeting was held on board along with entertainment.

### Seek 3,614 Members in Illinois

The membership goal of the Illinois Association of Life Underwriters set for June 30, the final date before report to the National association, is 3,614. C. T. Wardwell, membership chairman, reported in a bulletin. As of June 10 there lacked 450 to reach this objective.

### Drury President Pa. Association

20th annual meeting of the Pennsylvania State Association of Life Underwriters was held at Harrisburg with 75 delegates from 33 local associations in attendance.

Reports of the year's activities were given by President Calvin J. Frey, Erie, Mutual Life of N. Y., who announced that seminars on veterans' affairs had been conducted by 24 associations; 1,500 members had attended four sales congresses, and new associations had been formed in Greensburg, New Kensington and Sharon.

New president is Lawrence V. Drury, Philadelphia manager of Sun Life of Canada. Vice-Presidents are Karl H. Kreder, Metropolitan manager at Allentown; Norbert H. Weidner, manager of Reliance at Pittsburgh, and Winston P. Emerick, district agent of New England Mutual at Johnstown.



L. V. Drury

### New Executive Committee

Thomas H. Levering, manager of Fidelity Mutual in Williamsport, was elected treasurer, and Owen Cheney, assistant manager of Prudential at Scranton; Walter A. Craig, State Mutual Life, Philadelphia; J. Kenneth Biddle, manager of Fidelity Mutual at Erie; Harold S. Brownlee, general agent of Equitable of Iowa at Pittsburgh; Lindsley M. Washburn, manager of Metropolitan at Nanticoke, and Albion F. Tripp, agency director of New York Life at Harrisburg, were elected to the executive committee.

At the annual dinner, State Senator George N. Wade, manager of Ohio National in Harrisburg, was toastmaster. Among the guests introduced were Past State Presidents R. Maxwell Stevenson and Steacy E. Webster, Pittsburgh; Albert B. Levy and Aaron C. F. Pinkbinder, Philadelphia; Herbert L. Smith, Earle H. Schaeffer, William S. Tiffany, Paul B. Rice, Harrisburg, and William F. McCarthy, president of the Harrisburg association. Clifford H. Orr, Philadelphia, the national trustee, and John H. Bream, Harrisburg, past executive secretary, were also introduced.

Address of the evening was given by Anthony F. Haas, Philadelphia manager of Mutual Life of N. Y., on "It's Later Than You Think."

Retiring President C. Frey was presented a gavel as an expression of appreciation.

### West Va. Sales Congress Program Announced

The program has been announced of the West Virginia Association of Life Underwriters sales congress June 28-29 at Parkersburg.

The meeting will open the evening of the 28th with a welcome address by City Manager Roy F. Ash of Parkersburg, and Robert L. Hogg, Chicago, manager American Life Convention will speak on "Public Acceptance of Life Insurance."

President R. H. Houchin of the association will be in charge the second day and Isaac P. Kibrick, New York Life, Boston, will speak on "Motivation." The second morning speaker is Ralph H. Wherry, associate professor of business administration at West Virginia University, on "Life Insurance Underwriting Today and Tomorrow."

Benjamin N. Woodson, vice-president Commonwealth Life, will speak at the afternoon session.

### Forming Another Association

A new local association is being formed at Chicago Heights, Ill. T. A.

# RELIANCE

## LIFE INSURANCE

### COMPANY OF PITTSBURGH

**THE RELIANCE MEETS EVERY BUYER'S PREFERENCE BY ISSUING: HEALTH • ACCIDENT • PARTICIPATING • NON-PARTICIPATING • ANNUITIES • NON-MEDICAL • SUB-STANDARD • JUVENILE • RETIREMENT INCOME**

*We have something good to sell—and will pay well to get the job done! You?*

Attractive General Agency Territory open to experienced men in Missouri, Arkansas, Iowa, Kentucky and Mississippi.

For further information write to J. DeWitt Mills, Superintendent of Agents

## MUTUAL SAVINGS

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*Life Insurance Company*

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Allen May, President

St. Louis 1, Mo.

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Lauer of Joliet, Northwestern Mutual district agent and immediate past president Illinois association, is working with leading life men in Chicago Heights to perfect an organization, and a meeting is projected for the near future.

### Four Noted Speakers on Vermont Meeting Program

**BARRE, VT.**—The Vermont Life Underwriters Association will hold its annual meeting June 27 at the Barre Country Club. Bennett B. Bell, president, is in charge of the program and with Vice-president C. A. Adair and Secretary-treasurer Norman Oakman, was here making the arrangements.

Speakers on the program include James E. Rutherford, executive vice-president National association; J. B. Maclean, vice-president Mutual Life; Ward Phelps, New England agency supervisor of Mutual Life, formerly with the Sales Research Bureau; and Irvin Bendiner, New York Life, Philadelphia.

The meeting will open at 10 a.m. following an hour's meeting at the club of the General Agents & Managers Association of Vermont, of which A. E. Jensen, general agent Penn Mutual, Burlington, is president.

President Bell is general agent of Columbian National at Rutland; Vice-president Adair is general agent of Massachusetts Mutual of Barre, and Secretary Oakman is special agent of Connecticut Mutual at Rutland.

There will be a golf match, bridge and refreshments, with a dinner.

### Worcester Man Heads Mass. Assn.

Donald F. Nesbitt, Columbian National general agent, Worcester, has been elected president of the Massachusetts Association of Life Underwriters. Leonard Smith, Boston, was chosen first vice-president; Carl Bolen, second vice-president; C. D. Strout, Boston, treasurer, and W. C. Coogan, Boston, executive secretary for a sixth term.

### Scharlach Before Two Groups

Harry R. St. Scharlach, assistant manager of the Prudential ordinary agency at Davenport, addressed the Peoria and Springfield, Ill., associations at their monthly meetings, giving current sales ideas.

**San Antonio, G.**—Archie Helland, Connecticut Mutual, was elected president; C. E. Wood, Franklin Life, vice-president; W. L. McClure, American Hospital & Life, treasurer; Grover Quillin, Bankers of Iowa, secretary. An engraved gold wrist watch was presented to O. R. McAtee, retiring president.

**Springfield, Mass.**—New president is Abe Suher, Massachusetts Mutual; first vice-president, Robert K. Schott, Phoenix Mutual; 2nd vice-president, Edward J. Brennan, John Hancock; treasurer, Robert H. Volk, New England Mutual; secretary, Grace Ruth Colton, Massachusetts Mutual. Maurice R. Perry, secretary Phoenix Mutual, spoke on "Upgrading Ourselves."

**Wilmington, N. C.**—A. C. Halthcock is the new president.

**Lincoln, Neb.**—Nate Lieberman was elected president at the annual meeting.

Milton Koch was elected vice-president and Harry Thorpe re-elected secretary-treasurer. O. R. Frey was re-elected national committeeman for three years, and Colton S. Smith, retiring president, was elected state committeeman. Jess E. Ehlers and W. A. Fraser are board members.

Sixteen quality awards went to members of the Lincoln group from National Association of Life Underwriters in co-operation with the Life Insurance Sales Research Bureau.

**Lawson, Minn.**—Gaylord M. Foote, Metropolitan Life, was elected president. Other new officers are: Vice-president, Ernest J. Shassberger, Aetna Life; secretary,

Victor J. Leyrer, Ohio National Life, and treasurer, Francis F. Barnhart, New York Life.

**Muskegon**—Louis Freye and Sam Smith are nominees for president.

**Grand Rapids**—Frank J. Lightner has been elected president. Other new officers are: Vice-president, H. C. Martens; secretary, S. H. Barnard; treasurer, and E. E. Post.

**Northern New Jersey**—These officers were elected: President, J. W. Wood, Prudential; first vice-president, Herbert Marshall, Jr., Berkshire; second vice-president, Saul Vortrefflich, Prudential; secretary, J. R. Dean, Phoenix Mutual; treasurer, Roy Gundersdorff, Equitable of Iowa.

**Jersey City (Hudson County)**—J. W. Fox, general agent here for Berkshire, has been elected president. Other officers are: Honorary president, T. W. Davis, Colonial Life; first vice-president, B. F. McDonald, Prudential; second vice-president, Israel Siegel, Metropolitan; treasurer, L. C. Walton, Metropolitan; secretary, M. V. Hoffman, Colonial.

**Richmond, Va.**—Harvie D. Goddin, Jr., general agent Equitable of Iowa, was elected president at the annual meeting. Other new officers are: W. S. Teagle, Metropolitan, first vice-president; J. D. Hawkins, Provident Mutual, second vice-president. F. H. Bunnell, New England Mutual, retiring president, reported membership had increased to 367, the largest in history. Dues were raised from \$6 to \$8 a year; associate members \$5, and for general agents from \$12 to \$15. It was decided to place secretary-treasurer on a \$25 a month salary basis.

**Memphis**—Dave Gaut, Mutual Benefit, was elected president, succeeding C. T. Clayton, Liberty National. Other officers elected are: W. T. Hames, Penn Mutual, first vice-president; Leslie Fortune, Massachusetts Mutual, second vice-president; Thomas Livingston, General American, secretary; and Harry Putnam, American Hospital & Life treasurer. Membership is 400, the largest in the association's history.

**Albany, Ga.**—Fred Darby has been elected president; Jason Bannister, vice-president; Mrs. J. W. McKinney, secretary-treasurer. Directors are J. G. Lawhorne, L. M. McLeod, Perry Battle, I. H. Henry, Thomas R. McCoy, Carlease Akridge.

**Cincinnati**—G. Brainerd Metheny, Pittsburgh manager Fidelity Mutual Life, will speak on the "Magic of Life Insurance" June 21. The new officers will be introduced.

**Youngstown, O.**—E. J. Gilronan becomes president, the first debit man to be elected to that office. Other new officers are: C. J. Clancy, vice-president; H. L. Oberer, secretary; William Thurman, treasurer.

**Hutchinson, Kan.**—Bert A. Hedges of Wichita, Kansas manager of B. M. A., spoke at the monthly meeting.

**Eugene, Ore.**—A life underwriters association has been established here, John W. Gallagher, Prudential, assistant manager, being temporary chairman. About 50 have signed, headed by Al Herman, Mutual Life. Donald F. Barnes, National association, and R. E. Shanahan, Connecticut Mutual, president Portland association, gave talks.

**Evansville, Ind.**—Homer P. Hansel has been elected president. Other officers are: Arthur Egbert, vice-president; Melvin Grindle, secretary-treasurer. L. R. Watson, retiring president, was named national committeeman and Rollin M. Thompson, state committeeman. Tom Cusack will be educational chairman and P. C. Schneider, fellowship chairman.

**Appleton, Wis.**—J. Don Davis, Lincoln National Life, Appleton, was elected president to succeed George Cameron, Northwestern Mutual, Neenah; Conrad Kreutzberg, Prudential, Oshkosh, vice-president, and Emery Rickard, Aetna Life, Neenah, secretary-treasurer.

**Minneapolis**—The annual meeting and election were held Thursday at Anoka Country Club.

**Wichita**—John M. Carter, assistant superintendent of Metropolitan, was named president succeeding Earl Reed, Equitable of Iowa. Vice-president and program chairman is Earl Strimple, Mutual Life; 2nd vice-president and membership chairman, John Kincheloe, Connecticut Mutual; and secretary, L. D. Carter, National L. & A.; and Don Mitchell, New York Life and a past president, national committeeman. Directors include Paul Hill, Prudential; James Sullivan,

Massachusetts Mutual; Maurice Coulson, Penn Mutual; Mrs. Nina Schumacher, Union Central, and Roy Hanney, B. M. A. Guest speaker was A. F. Priebe, Penn Mutual, Rockford, Ill., and member Million Dollar Round Table. Membership reached a new all time high.

**Everett, Wash.**—Fred Downie, Mutual Life, was elected president at the annual meeting, Ad Kirby, vice-president, and Fred McCorkle, secretary-treasurer.

**Seattle**—New officers were elected: Russell Brooks, associate general agent Union Central, president; C. L. Hagstrom, vice-president; B. J. Harrington, secretary; J. M. Smith, treasurer.

**Winston-Salem, N. C.**—James P. Fritts was elected president at the annual meeting. He has been first vice-president, and succeeds J. Curtis Brock. Other officers elected are: M. P. Traynor, first vice-president; R. L. Baker, second vice-president, and Carl T. Riddle, secretary-treasurer.

**Durham, N. C.**—W. G. Whichard was

elected president succeeding J. L. Trevathan. Other new officers are: W. R. Draughon, vice-president; F. E. Southernland, Jr., secretary-treasurer. Mr. Trevathan becomes chairman. Membership now is 115, putting Durham in a tie with Asheville for the position of the largest association in North Carolina.

**Dodge City & Southwest Kansas**—New officers elected are: Chas. Holladay, Kansas City, president, succeeding Lester Butler; Charles Henry, Victory Life, vice-president; Ralph Cochran, Equitable Society, secretary-treasurer. Meetings were adjourned until September. George Dugan, president of First National Bank, spoke on "Life Insurance as a Credit Factor."

**Asheville, N. C.**—A. B. Thompson has been elected president to succeed Robert F. Moody. Carl C. Proffitt and Gerald Moore are vice-presidents; Roney A. Hilliard, national committeeman; R. H. Officer, reelected secretary-treasurer, and Robert F. Moody, state committeeman.

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#### HEALTH BENEFITS . . .

\$200 for 50 months beginning 30 days from date of total disability from sickness.  
Non-cancellable — Non-proratable.

#### ACCIDENT BENEFITS . . .

\$200 for 50 months from first day of total disability.  
Non-cancellable — Non-proratable.

#### HOSPITAL BENEFITS . . .

\$200 for 3 months from first day of total disability, either by accident or sickness.  
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#### LIFE BENEFITS . . .

Double, Triple Indemnity—Waiver of Premium.

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FREEMONT, ILLINOIS



## LEGAL RESERVE FRATERNALS

### Royal Neighbors to Increase Dividends

Decision to pay dividends on an increased scale, amounting to \$1,500,000 total, in the year ending March 31, 1947, was made at the national convention of Royal Neighbors at Cincinnati last week. This is the largest dividend distribution the society has made to its certificate holders. It will be distributed to the record number of approximately 383,000 adult and juvenile members.

Several amendments to by-laws were adopted, chiefly for clarification, but one increased the society's maximum limit on a single life from \$5,000 to \$10,000.

#### New Official Setup

Officers elected include those pictured on this page and Supreme Auditors Miss Anna B. Spangler, Denver, and Mrs. Myrtle I. Gunderson, Lone Rock, Wis., reelected, and Mrs. Nellie A. Mercier, Perryville, Mo., succeeding Mrs. Esther E. Simmons, Springfield, Mo., who was not a candidate for reelection. Also the following supreme officers: Chancellor, Mrs. Clare P. Mangum, Greenville, Tex., reelected; marshal, Mrs. Flora D. Ellis, Havre, Mont.; inner sentinel, Mrs. Amelia M. Specht, Longview, Wash., and outer sentinel, Mrs. Ella A. Macdonald, San Antonio. Mrs. Eva Child, Janesville, Wis., automatically retained the office of past oracle.

The office of receiver (treasurer) was changed from elective to appointive, and now is filled by Mrs. Bessie Hayden, Lowell, Ind. The office of vice-oracle was abolished and a new appointive office of deputy oracle created.

The new dividend distribution represents an increase of \$967,000 over the previous dividend year and a gain of 38,000 in members participating. The increase will be mainly on certificates issued between Sept. 1, 1919 and April 1, 1940. The society is paying dividends for the first time on certificates issued from 1919 to 1925 on Royal Neighbors 4% mortality table.

The dividends will be paid on all adult certificates issued after Sept. 1, 1919, and all juvenile certificates issued after April

1, 1940, which have been on premium paying basis for two or more years and are in force on that basis on the due date of dividend.

### Mrs. Fleming Head of Wash. Congress

Mrs. Marion Fleming of A.O.U.W. of Washington, Seattle, was elected president of the Washington State Fraternal Congress at the annual meeting in Tacoma. She succeeds Robert Goldberg, Maccabees, Tacoma. The other new officers are: First vice-president, Erling Smedvig, Sons of Norway, Seattle; second vice-president, Mrs. Myrtle Hopkins, Samaritan Life Association; third vice-president, Fred Lynch, Knights of Columbus, Seattle; secretary, C. D. Robinson, state insurance department, Seattle; treasurer, Mrs. Kathryn Bowen, Woman's Benefit, Seattle.

#### Sullivan, Below Talk

Walter C. Below, head of Fidelity Life, Fulton, Ill., and president National Fraternal Congress, and Commissioner Sullivan of Washington gave talks. Mrs. Minerva Coddling, grand guardian of Neighbors of Woodcraft, was a speaker. Mr. Below installed the new officers. A. W. Peeler of Royal Arcanum was toastmaster at the banquet at which Mayor Cain spoke.

Greater interest in legislation was urged by Mr. Sullivan, and by J. F. Fogarty, A.O.U.W. of Washington, legislative chairman. Mr. Below stressed the need to curb juvenile delinquency, a field in which he believes fraternalists and the lodges can exert great good. He feels also that fraternalism has been too unassuming; it has not done a good public relations job and secured credit in the public mind for the many ways in which it serves the people.

### New F.I.C. Designations Raise Total to 336

A number of additional field people have won the F. I. C. designation of the Fraternal Field Managers Association, bringing the total to 336. By societies the new ones are: Aid Assn. for Lutherans—F. M. Dietrich, W. C. Beinke, A. W. Gieseking, A. C. Horstmann, M. F. Mueller, E. R. Semrow, A. D. Huelle, W. R. Bottcher, G. H. Schaeffer, H. L. Stade; Woodmen of the World, R. W. Martin, L. C. Wolf, A. L. Page, A. P. Stone, H. C. McDonald, B. B. Hurt, G. Myers, J. L. O'Guin, F. Wise, G. W. Pitts, E. A. Olsen, J. T. Vickery, I. D. Armstrong, W. C. Bell, A. L. Bowden, G. Elliott, J. H. Estes, L. T. Shannan, C. G. Simmons, R. E. Vance, J. W. Yeoman, G. W. Hine, Sr., W. L. Oliver, L. G. Woodward; Equitable Reserve, M. M. Bogel.

Fidelity Life, R. M. Nichols; Independent Order of Foresters, J. H. Paquet; Lutheran Brotherhood, C. O. LeRud, H. M. Stellner, A. L. Snyder; Maccabees, J. L. Clarke, R. D. Robinson, N. C. Wiley, Alfred Holmes, R. O. Howell; Modern Woodmen, T. H. Monks, E. H. Wilson, H. A. Brooks, T. J. Duffy; Woodmen Circle, Blanche Eakin, Mrs. Prudie Westbrook, Mrs. Nancy H. Sasser, Lillian M. Cook.

Woodmen of the World, Omaha, held a mass F. I. C. examination at the home office in April with 29 representatives taking the examination.

Norton J. Williams of Neenah, Wis., president of Equitable Reserve and past president National Fraternal Congress, has been elected president of the Neenah-Menasha chamber of commerce.

#### Columbus Agency May Leader

Columbus agency of Ohio State Life topped all other agencies of the company in volume of insurance written in May, and was second for the year.



Above are members of the executive council of Royal Neighbors of Rock Island, Ill., who were reelected at the national convention in Cincinnati. Top left, Mrs. Grace W. McCurdy, Bettendorf, Ia., supreme oracle; top right, Miss Erna M. Barthel, Rock Island, supreme recorder. Below, left to right—Members of the board of supreme managers: Mrs. Jessie L. Mitchell, Brighton, Mich.; Mrs. Alice C. Nash, Hopkins, Minn.; Mrs. Margaret Gorman, Chicago; Mrs. Frances L. Torkelson, Lincoln, Neb., and Mrs. Edna E. Walsh, Kansas City.

### Group Business Is Found on Upsurge Now

(CONTINUED FROM PAGE 1)

through closing of war plants, is the fact that a number of companies found that on this group business the experience was quite poor. The great amount of absenteeism which went on during the war and the general low caliber of employees picked up for the temporary jobs contributed to this. Now group men can concentrate on risks where employees are permanent and are solid substantial citizens. Not many of the war workers converted group life to individual policies after leaving employment.

The writing of pension trusts, which reached new popularity during the war, has slackened off considerably. A number of those employers who installed pension trusts during the war because they were in high tax brackets, now find themselves with lessened taxes, yet, bound by treasury department rules, they cannot get out of their pension trust obligations to employees.

#### Administration Complicated

Another bad feature of the pension trust business during the war was that trusts were established on employees who were by no means permanent and had no intention of staying with the company for the duration of their lives. This complicates the administration of a pension trust, which is complicated at best, adding an administrative problem to the high cost.

Replacing the pension trust in popu-

larity are group annuities which are much more economical for the employer. A popular combination is that of the group annuity with a profit sharing plan. Because all administration is handled on a group basis rather than on an individual basis as in the pension trust plan, the group annuity-profit sharing setup is appealing to a great number of employers and is being pushed by the group departments of a number of insurance companies. In this combination, the employer buys a chunk of annuity for each employee in those years in which there is good profit. When profits are low or non-existent, there is no contribution in this direction. The employee begins to feel like a member of the company and his interest in the welfare of his concern is thus increased and his work improved.

Recently several companies have added group medical payments. There are quite a few companies which are providing the medical and surgical payments while the Blue Cross provides the hospitalization. In Illinois, Wisconsin and California some insurers cooperate with the state medical societies in similar plans.

#### Brooklyn Managers Elect

The Brooklyn Life Managers Association held its annual outing at 'Plandome Country Club, Plandome, L. I., and elected these officers: A. Van Camerik, manager Metropolitan Life, president; Lewis E. Weingarten, manager Fidelity Mutual, vice-president; Charles Girdner, manager Phoenix Mutual, secretary-treasurer.

**Fraternal Society  
for  
Women and Girls**

**Supreme Forest  
WOODMEN CIRCLE**  
Omaha, Nebraska



**THE WOMAN'S BENEFIT ASSOCIATION**

Founded 1892

A Legal Reserve Fraternal Benefit Society  
Bina West Miller Frances D. Partridge  
Supreme President Supreme Secretary  
Port Huron, Michigan



### Returning Veterans!

Selling legal reserve life insurance is pleasant and profitable employment.

You have an opportunity to develop lists of new prospects through meeting the present policy-holders in the territory assigned to you.

Excellent territory in Illinois, Michigan, Minnesota and Wisconsin. Write for information.

**Equitable Reserve Association**  
Neenah, Wisconsin

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## Denver Sets High Convention Mark

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Madison, who under the new setup adopted at this meeting automatically becomes chairman of the executive committee.

David H. Stein, Pacific Mutual, Denver, and E. L. Sisk, B. M. A., Wichita, were elected members of the executive committee. It is now provided that at least two members of that committee must be personal producers. The new secretary to be named by the chairman also will be a member of the committee.

A new qualification basis also was adopted with a minimum production of first year premiums on the annual basis \$3,500 for 1946, \$4,000 for 1947 and \$5,000 thereafter. Heretofore the minimum has been \$3,000.

Managers who have two or more agents qualifying also may qualify. Those who already have qualified for three years or more become life members. Hereafter the requirement is qualifying three years out of five.

### Women Elect

The women's division elected Myrtle Quinn, Continental Mutual Health & Accident, Denver, president; Marie Berggren, Mutual Benefit Health & Accident, Butte, Mont., vice-president; Viola C. Hamilton, Central Catholic Casualty, Omaha, secretary, and Mary Mercer, Business Men's Assurance, Augusta, Kan., treasurer.

E. H. O'Connor, managing director, Insurance Economics Society, spoke on "Security—Social or Anti-Social." He said the advocates of the extension of social security have referred to it as purely a social question but he brought out the economic and political issues involved.

At the agents session Monday afternoon the recommendations offered by a committee headed by David H. Stein, Pacific Mutual, Denver, to be presented to the National association and the companies were adopted. The association recommendations went farther than the tentative draft recently summarized in THE NATIONAL UNDERWRITER in that they asked amendment of the by-laws to provide for seven additional executive board members, all to be personal producers and three of them women; that agents shall be included in the membership of all key committees, and that some sort of financial recompense be provided for agents taking such posts.

### Considerable Discussion

The session was not nearly as hot as the one at Wichita in January, but there was considerable discussion on some of the recommendations to the companies, particularly those on agents' compensation and uniform contracts for all agents of a company, and on vested renewals. W. Clement Stone, president of Combined Mutual Casualty, who attended that session although it was supposed to be for agents only, took issue with many of the recommendations on these points.

At the same time the managers and general agents session was being held in charge of R. J. Barrett, Occidental Life, Kansas City, with D. C. Stephens, Security Life & Accident, Salt Lake City, discussing "Recruiting;" Harry Putnam, American Hospital & Life, Memphis, "Training;" M. F. Houston, Washington National, Kansas City, "Building an Agency Through the Medium of Accident and Health Insurance," and O. K. Johnson, business Men's Assurance, Albuquerque, "Financing."

### Gregory Welcomes Agents

E. F. Gregory, president of the Denver association, in his address of welcome, recalled that Denver made its first bid for the national convention back in 1940 at Columbus. Mr. Gregory said that this was only the second national convention that he had attended but that he had not missed a convention since.

He said that Denver was not trying to take the credit for the fact that this is

the biggest convention in association history, as the national membership stands today at its highest peak. He paid tribute to S. A. Riesenman, Security Life & Accident, convention general chairman, and asked him to stand and take a bow.

### Asks Better Training

The best source of profit for life and A. & H. companies now that investment yield has dropped is in better trained men in the field doing better underwriting. W. Lee Baldwin, president Security Life & Accident, told the association.

Mr. Baldwin said that charging more for policies is not a complete solution and suggested that one way to encourage better underwriting is a more equitable payment for actual services rendered by field men. As it is done now, he declared, the man writing poor business with low persistency receives the same as one bringing in high quality business. This is a bad feature and he asserted that in no other profession would such an inequity persist. The quality business agent is worth more to his company than one having a bad claim experience.

He stressed the necessity for thorough training of agents and asked those whose company has a training plan to cooperate fully in it.

Good training plans create good selling habits and Mr. Baldwin said that it is as easy to acquire good habits as bad ones and another angle of a training program is that it teaches the difference between them.

Something else the agent should be to be a success, is enthusiastic, he stated.

Emerson Davis, Inter-Ocean Casualty, Dallas, was nominated from the floor for second-vice-president against Mr. Gregory, who won 27 to 26. The opposition to him was based on the fact that it would bring two B.M.A. men into office too close together.

## MUELLER'S REPORT

A review of the notable progress made in the past year and suggestions for a future course for continued progress featured the report of E. H. Mueller, managing director and acting executive secretary. One of the big jobs was, of course, the setting up of national headquarters, which is now functioning on a very satisfactory basis. In the past 13 months, Mr. Mueller has personally visited 24 associations, including attendance at state conventions in California and Ohio. He recommended that the new secretary continue visiting local associations as an important factor in building up the National association. He said that at his own expense, President Costigan also has carried out his pledge of visiting local associations. It has been a gruelling experience for him, but he has set the pace for future presidents to follow, Mr. Mueller said.

He reported a gain of almost 100% in membership, with two new organizations installed, at Cedar Rapids and Memphis. There are now about 85 associate company memberships and Mr. Mueller believes it is quite possible to secure 20 new memberships from companies at the \$50 rate. So far 20 men have volunteered to "sustaining" memberships.

He emphasized very strongly the endorsement of the National association by the Health & Accident Underwriters Conference at its recent meeting as a big step forward for both the association and the companies.

At the forum session conducted by the Leading Producers Round Table, with C. B. Stumpf, retiring chairman, presiding, David H. Stein, Pacific Mutual Life, Denver, said accident and health companies must recognize changes in health, treatment of disease, lengths of disability and underwriting of older risks if they expect to weather the storm of government and state intrusions in the field.

Mr. Stein took the position that a great many accident and health com-

panies are operating behind the times with their policies and claim procedures and must endeavor to bring themselves up to date if they intend to enhance prestige of the business to a point where it will not be threatened by government plans, departmental criticism, and adverse public reaction.

He said that the industry would not berate every law that has been put on the books, or even every legislative act that has been proposed, because nearly every one has resulted in some good directly or indirectly.

### Fishbein Quotes Murray

Noting that in a speech made by Dr. Fishbein of the American Medical Association recently at Denver, the doctor mentioned that in a conversation with Senator Murray, a sponsor of the Wagner-Murray-Dingell bill, the Senator said, "We sure scared you boys into doing something," Mr. Stein pointed out that even this drastic measure had resulted in improvements brought about by the business itself.

Congress and the rest of the country will go ahead whether the accident and health business does or not, he emphasized, mentioning that despite the opposition of the life business, the social security act went solidly into effect; despite opposition from accident and health companies, the Blue Cross has gone ahead and now has 21 million members.

He urged that the entire business work together instead of being separated into a home office, a claim department and an agency force running off in tangents.

A council to include leaders of the A. & H. conference, A. & H. underwriters, and leaders of the American Medical Society to work together was advocated by Mr. Stein. He said that this council could educate the public more thoroughly and establish worthwhile relations.

Alfred K. Perego, Wisconsin National Life, Milwaukee, spoke on "The Women—Where they Fit in Our Prospect Files."

### Solve Financial Problems

The accident and health agent's job is "solving financial problems" and not "policy peddling," M. C. Laughman, North American Life & Casualty, Minneapolis, emphasized at the sales congress Wednesday. If this is kept in mind, he said, sales will be easier, premium income larger, persistency much better and public acceptance will obviously be improved.

"We sell money, whether it is hospital insurance, accident and health, life or what not," Mr. Laughman said, "and money is, of course, the best form of property available. Almost everyone has a financial problem or several of them, but does not recognize them until the need for solution arises or is uncovered by a field man."

He declared that there are only three basic steps to follow in an interview: (1) Fact finding, (2) fixing the problem, (3) offering the solution. "If the problem is fixed clearly in the prospect's mind the close is automatic, because you have the prospect on the defensive rather than yourself."

He stated how the outline of these three steps could be carried through in selling either hospital insurance or loss of time coverage.

Mr. Laughman said that he believes implicitly in organized or planned sales talks, stating that they are also referred to as canned talks, "but as such they are not so good, because we may forget to take them out of the can."

### Repetition and Reputation

While the "three R's"—readin', 'ritin', and 'rithmetic'—long were considered the fundamentals of education, A. W. Holtzman, Mutual Benefit Health & Accident, Rochester, N. Y., suggested that the two "R's" which are essential to the health and accident insurance are repetition, meaning thereby advertising, the basis of all good prospecting, and

reputation—building prestige, which is automatically accomplished if the advertiser lives up to his copy.

He declared that any advertising appropriation must be predicated on a double premise: Will it bring results as to prospects, and will it bring prestige? The first requisite is to know what one is going after in advertising copy. It should be checked, whether used by letter or on the radio, as to the return and changed if results are not forthcoming.

His second suggestion was to repeat it—and repeat it again. In that connection he cited the "Leave It to Lyle" advertisements which made the late Lyle Stephenson of Kansas City nationally famous. "The public must be retold, and retold, of your ability to serve them," he said.

### New Firm in Field

"Today's opportunities are tomorrow's profits, but you and I must publicize our business as we never did before. Why? Because we can't do business as usual. There is a new competitor across the street. He has opened up a new drug store, and on the windows in bold lettering are the proprietors' names: Wagner—Murray—Dingell. The sales manager is Harry Truman."

"Their advertising copy boldly states that every man and woman earning an income should have it protected by insurance. Sure, we believe that. They're taking the play away from us. We've preached it for years."

"Newspapers are setting the type in bold face. Magazines are featuring the stories of specialists. Radio commentators are giving you the details. But, what is the 'voice of the people'? I believe overwhelmingly they will say: 'The idea is sound, but I still believe in private enterprise!'"

After his talk Mr. Holtzman conducted an open forum discussion, answering questions from the floor.

### Three Laws of Successful Selling

George W. Kemper, Fireman's Fund Indemnity, in taking up the fundamentals of successful selling cited three laws which have a profound effect. The first is the law of averages. Everything in the insurance business depends on the law of averages, he said, not only the statistics on which rates are based, but also the agent's results.

The second law governing successful selling Mr. Kemper calls the "law of determination." This is the law which governs time control. On the third law, the "law of presentation," Mr. Kemper says the salesman who makes a sloppy presentation of his talk might just as well make no attempt whatever. "Don't serve up your sales as you would serve a mulligan stew; serve it as your wife would serve a full course dinner, prepare it carefully, go over your material so that you say what you want to say in the fewest possible words to make it effective," Mr. Kemper advised. He recommended heartily the use of visual selling.

### Dineen Cites State Services

Superintendent Dineen of New York, in addressing a luncheon meeting of the Oregon Advertising Club at Portland, reviewed in succinct fashion a number of the services that are provided by the department and told something of the workings of the insurance commissioners association. As an example of department service he stated that the New York department found that one of the Blue Cross plans in the state had become impaired and the department compelled them to increase their charges and reduce expenses.

He said that the complaint bureau is a big asset to the public. It is one of the services that the state government is peculiarly well qualified to render. The department is able to be very helpful to the public in this way although it has to winnow out complaints that are intended to put the leverage of the state on insurers in cases where there is real doubt as to liability.

# ACTUARIES

## CALIFORNIA

Barrett N. Coates Carl E. Herfurth  
**COATES & HERFURTH**  
 Consulting Actuaries  
 660 Market Street 437 S. Hill Street  
 SAN FRANCISCO LOS ANGELES

## ILLINOIS

**HARLEY N. BRUCE & ASSOCIATES**  
 Consulting Actuaries  
 160 N. La Salle St. Chicago 1, Ill.  
 CENTRAL 3465  
 James O. Challenger, Chief Associate  
 Fellow Actuarial Society of America  
 Fellow American Institute of Actuaries

**DONALD F. CAMPBELL**  
 and  
**DONALD F. CAMPBELL, JR.**  
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**WALTER C. GREEN**  
 Consulting Actuary  
 211 W. Wacker Drive  
 Chicago  
 Franklin 2633

**HARRY S. TRESSEL**  
 Certified Public Accountant and  
 Actuary  
 10 S. La Salle St., Chicago 3, Ill.  
 Associates  
 M. Wolfman, F. A. I. A. Franklin 4026  
 N. A. Moscovitch, A. A. I. A.  
 W. E. Gillette, C. P. A.  
 W. P. Kelly

## INDIANA

**Haight, Davis & Haight, Inc.**  
 Consulting Actuaries  
 FRANK J. HAIGHT, President  
 Indianapolis — Omaha

**HARRY C. MARVIN**  
 Consulting Actuary  
 221 E. Ohio Street  
 INDIANAPOLIS, INDIANA

## NEW YORK

Established in 1885 by David Parkes Fackler  
**FACKLER & COMPANY**  
 Consulting Actuaries  
 6 West 40th Street New York

Consulting Actuaries  
 Auditors and Accountants  
**Wolfe, Corcoran and Linder**  
 116 John Street, New York, N. Y.

## PENNSYLVANIA

**FRANK M. SPEAKMAN**  
 CONSULTING ACTUARY  
 Associate  
 E. P. Higgins  
 THE BOURSE PHILADELPHIA

## Fireworks Galore on Examinations

(CONTINUED FROM PAGE 3)

necessary fundamental talents.

Rather than attempting to establish a qualification guide based upon years of experience in accounting and examination work performed in the past, it would seem more desirable to let the responsibility for selecting examiners remain with the commissioners with due consideration given to the following recommendations:

1. That only examiners regularly employed by the department be selected to represent the zone in convention examinations.

### File List of Examiners

2. That the insurance commissioners of each state file with the chairman of the zone a list of examiners who will represent his department in such convention examinations, stating in each case his classification, whether of senior or junior grade, his age, educational background, and a brief outline of his last ten years business experience.

3. That no examiner be selected for these examinations, unless his name has been filed with the chairman of the zone.

4. The chairman of the zone will, in turn, convey to each state the roster of examiners filed with him, together with such information concerning each examiner which has come to his attention. In this manner each state will be conversant with and have knowledge of each examiner who may be called upon to represent the zone. Should any objection to any examiner arise, such objection with detailed reason therefor, should be filed with the commissioner appointing such examiner and also with the chairman of the zone. Such objection should be a subject of a hearing in a manner prescribed by the zone commissioners should the necessity develop for such hearing.

It seems natural that each commissioner of the zone is vitally interested in the caliber and quality of zone examiners as at some time or other these examiners will represent his state in a convention examination.

### Outline Basic Rules

Zone 6 suggests the following basic rules regarding the conduct of zone examinations while on convention examinations:

1. Cooperate with examiner in charge and other examiners. Unless specific instructions have been issued to an examiner by his commissioner or unless specific information has been requested by a commissioner of a zone, an examiner shall accept such duties in regard to the examination as may be assigned to him by the examiner in charge.

2. Assume full responsibility for work assigned to him and make his own report thereon and also take an active interest in the examination as a whole.

3. All phases of the examination should be conducted only by the combined effort of the participating examiners with such assistants as may be furnished by the home state department. To this end during the course of each examination periodical conferences between all participating examiners should reveal the progress of each phase of the work, the extent and character of the work performed and the further work indicated as appropriate for the ultimate coordination for purposes of the report.

### Should Operate as Team

4. Conferences or contacts with company officials, except in regard to minor matters arising in connection with his work, should be held only with full knowledge of all participating examiners.

5. Examiners are fact-finding officials and as such should confine their efforts to determining the facts regarding the operations of the company and make their report accordingly. They should be courteous and tactful at all times and

should confine within the conferences with participating examiners and company officials and within the written report the voicing of any criticisms.

6. Maintain the same working hours as the company or those prescribed by the state department in charge of the examination.

7. Remain on the examination until it is completed and a signed final draft of the report is in possession.

8. Any major difficulty arising during the course of an examination should immediately be conveyed to the commissioner represented and to the chairman of the zone represented by the examiner encountering the difficulty.

### Stanley Now Life Member

Harry W. Stanley, Equitable of Iowa general agent at Wichita, has become a life member of the Million Dollar Round Table. He wrote 133 apps the first year he qualified, 96 the second year and the last year had 77. Elmer Moore, New York Life, past president Wichita Association of Life Underwriters, is the only other life member in Wichita.

### McCorkle Speaks on NSLI

LOS ANGELES—H. R. A. McCorkle assistant actuary of Occidental Life, spoke before the life insurance committee of the Chamber of Commerce on "National Service Life Insurance from the Standpoint of the Field Man." Kellogg Van Winkle, agency manager of Equitable Society, summarized the legislative situation as it concerns life insurance. Walter G. Gastil, manager Connecticut General; Weymouth L. Murrell, general agent Mutual Benefit; Kane Farrell, of the House of Farrell; Dr. Don Scoles, professor of insurance University of Southern California, and Leslie A. Cooper, tax expert for Pacific Mutual, were elected members.

After serving three years in the coast guard, **Bernard S. Johnston, Jr.**, has joined his father at El Dorado, Kan., for New York Life. The younger Johnston is 22 years old and on May 15 made the "One Club" of New York Life.

## CONVENTION DATES

June 27, Vermont Life Underwriters, Barre.

July 9-12, National Negro Insurance Association, Auchibon Ballroom, New York.

Aug. 22, Northern California Management Conference; Claremont Hotel, Berkeley.

Sept. 4-8, Million Dollar Round Table, French Lick, Ind.

Sept. 9-13, N.A.L.U. annual convention, Cleveland

Sept. 9-10, International Claim Assn., Chateau Frontenac, Quebec.

Sept. 15-20, Assn. of Superintendents of Canada, Nova Scotia Hotel, Halifax.

Sept. 23-25, L.O.M.A. annual, Hotel Schroeder, Milwaukee.

Oct. 7-11, American Life Convention, annual, Edgewater Beach Hotel, Chicago.

Oct. 9-11, Institute of Home Office Underwriters, annual, Edgewater Gulf Hotel, Edgewater Park, Miss.

Oct. 21-24, National Fraternal Congress, annual, Hotel Morrison, Chicago.

Oct. 24-26, L.A.A. annual, Edgewater Beach Hotel, Chicago.

Oct. 28-31, Insurance Section, American Bar Assn., Atlantic City.

Oct. 31-Nov. 2, Illinois Assn. of Life Underwriters, mid-year, Pere Marquette Hotel, Peoria.

Nov. 11-13, American Institute of Actuaries and Actuarial Society of America, joint fall meeting, Netherland Plaza, Cincinnati.

Nov. 14-16, Home Office Underwriters Assn., Netherland Plaza, Cincinnati.

Dec. 9-11, N.A.L.C., midyear, Hotel Commodore, New York.

You've got to do your work yourself. The amount of work you do—the quality of work you do—will determine the amount and quality of your reward.

POSTPONING a responsibility is decorating the grave of good intentions.

## How Argentine Reinsurance Monopoly Will Operate

NEW YORK—Insurers interested in Argentine business have now studied the decree setting up a reinsurance monopoly in that country. The Reinsurance Institute is to have a capitalization of 10 million pesos, Argentine currency, 2 million of it to be paid by the government in interest-bearing bonds and 8 million by the national companies according to their reserves but not to exceed 10% of assets and reserves.

National companies may freely exchange reinsurance among themselves, but foreign companies are required to cede 30% of their direct writings to the Reinsurance Institute.

### Must Insure at Home

It is prohibited to insure abroad persons, property, goods or any interests whatsoever that can be insured in Argentina. Non-admitted insurance business has been done freely heretofore.

Only national insurance companies may insure persons, goods or real, personal or mixed property of physical or juridical persons who exploit concessions or franchises of the nation, provinces or municipalities. This would affect railroads, mines, telegraph lines and the like. A lot of foreign capital is involved in Argentina and while the British would be hit harder than the United States by this provision, the U. S. is substantially concerned.

Argentine insurers pay a premium tax of 7%, foreign insurers 16% except life. In addition, the dividends of foreign insurers are subject to a 12% tax. There are some subsidiaries of foreign companies or operating groups that have set up and maintained subsidiaries in Argentina. Under the new decree, two-thirds of the stock of national insurers must be owned by Argentine citizens. Otherwise it becomes a foreign insurer. For the purposes of the decree, a citizen must have been one for five years and must have lived in Argentina for 10 years.

### Protests Are Registered

Commercial, insurance and investment organizations have written or are writing to the State Department asking that it use its influence in having the Argentine decree setting up a reinsurance institute modified or withdrawn.

The terms of the decree are so restrictive that foreign insurers, who have been writing freely in Argentina, would have to forego their Argentine operations. The penalty for non-admitted insurance is 25 times the premium. Reinsurance may be exchanged by national companies with each other but with foreign insurers only to the extent that the latter retain the insurance for their own accounts, and providing foreign insurers agree to cede the same amount each year. The several other provisions will, it is stated, have the effect of throwing the business to the institute and national companies almost entirely.

### N. W. Mutual N. S. L. I. Chart

Northwestern Mutual has issued a chart to its agents which provides a direct comparison between life income options available from the company and those offered by N.S.L.I. These are provided as good will builders, because they point out the advantages of the government coverages to veterans and establish the agent on an honest basis with the ex-service man. It is pointed out that it takes \$12,419 of Northwestern Mutual coverage (at \$4.34 per \$1,000) to equal benefits on \$10,000 of N.S.L.I. to a beneficiary, age 50. Using \$10,000 of principal in each instance, a beneficiary age 55 would receive \$46 per month from Northwestern Mutual but \$56 per month from N.S.L.I. refund annuity option.

"BUSINESS is very sensitive: it goes where it is invited, and stays where it is well treated."



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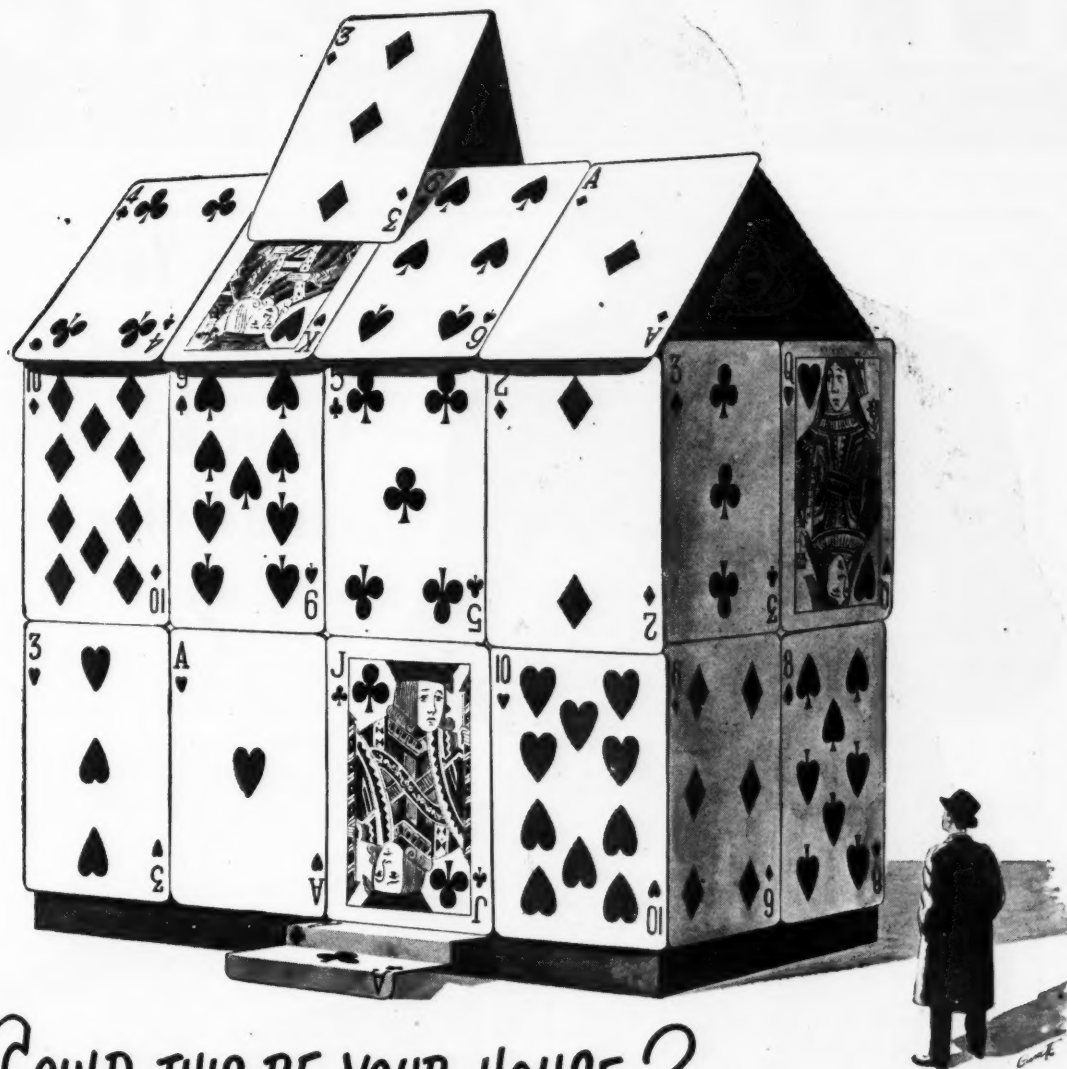
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## COULD THIS BE YOUR HOUSE?

Now that the war's over and a lot more civilian goods are on the market, it's a big temptation to spend just about all you make, and not put anything aside.

But to fall for that temptation is plenty dangerous. It's like trying to live in the house above—a house that might come tumbling down about your ears at the first little blow of hard luck.

Right now the best possible way to

keep your finances in sound shape is to save regularly—by buying U. S. Savings Bonds through the Payroll Plan.

These Bonds are exactly like War Bonds. Millions of Americans have found them the safest, easiest, surest way to save. The U. S. A. protects every dollar you invest—and Uncle Sam gives you his personal guarantee that, in just ten years, you'll get four dollars back for

every three you put in!

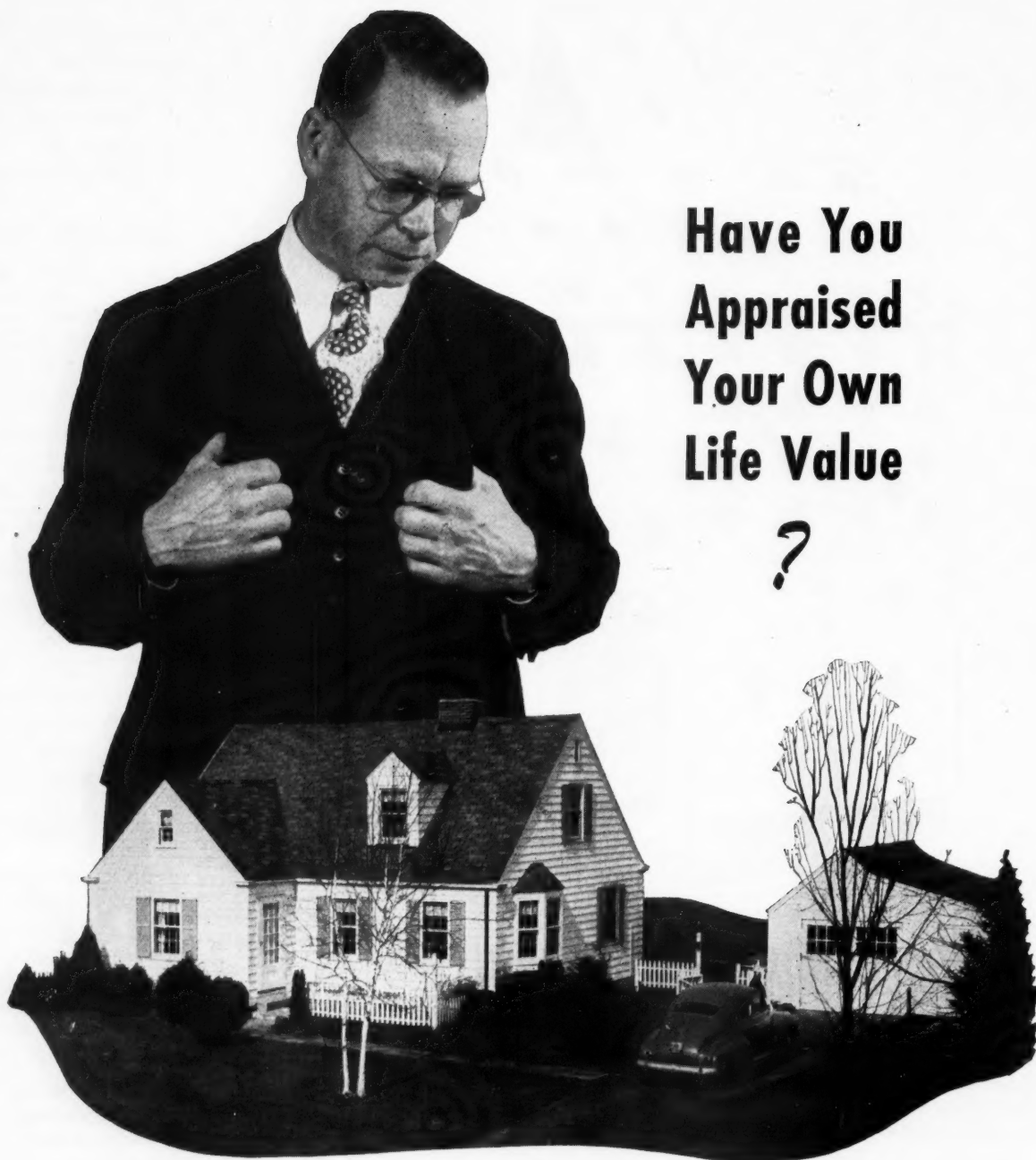
If you stick with the Payroll Savings Plan, you'll not only guard against rainy days, you'll also be storing up money for the really important things—like sending your children to college, traveling, or buying a home.

So—anyway you look at it—isn't it smart to buy every single U. S. Bond you can possibly afford!

**SAVE THE EASY WAY...BUY YOUR BONDS THROUGH PAYROLL SAVINGS**

**The NATIONAL UNDERWRITER**

★ This is an official U. S. Treasury advertisement—prepared under auspices of Treasury Department and Advertising Council ★



## Have You Appraised Your Own Life Value

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YOU were wise when you increased the insurance on your own home . . .

Have you appraised your own Life Value with the same intelligent treatment you gave your house when considering its up-to-date value?

Why not insure a man's "lifetime" earning power in the true amount of his family's insurable interest? The Travelers Triple Protection Plan provides the maximum in Life Insurance protection at a minimum premium outlay. Look into its advantages at the nearest Travelers Life Office.

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